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U.S. May Expand Beirut Role

Reagan Is Said to Consider Gemayel Request for Bigger Peace Force

By Richard M. Weintraub
Washington Post Service

WASHINGTON — President Ronald Reagan said Tuesday that the United States would give "serious consideration" to a request by President Amin Gemayel of Lebanon that the size and role of the multinational force in Lebanon be expanded, a senior U.S. official said.

The official disclosed the statement by the president after meeting Tuesday morning at the White House with Mr. Reagan and Mr. Gemayel.

An increased presence for the U.S., Italian and French force has been discussed in the context of facilitating withdrawal of foreign troops from Lebanon and expanding the authority of the Lebanese government.

In an exchange of departure statements with Mr. Gemayel, Mr. Reagan reaffirmed U.S. support for Lebanon's sovereignty, territorial integrity and freedom.

Mr. Gemayel endorsed Mr. Reagan's Middle East peace proposals, saying, "We firmly believe that President Reagan's initiative has created unprecedented opportunities for peace."

He praised the U.S. role in Lebanon, saying, "American commitment to the sovereignty and territorial integrity of the free democracy of Lebanon has been fundamental to our survival."

Senior U.S. officials said Mr. Gemayel stressed the importance of a continued deep involvement by the United States in securing the withdrawal of Israeli, Syrian and Palestinian forces from Lebanon. U.S. officials said the withdrawal should be accomplished by the end of the year.

The officials said Mr. Gemayel received assurances from Mr. Reagan that the United States would indeed play a very active role. A special envoy, Morris Draper, is expected to return to

the Middle East toward the end of this week to continue negotiations. Other talks are also scheduled. A delegation of Arab leaders headed by King Hassan II of Morocco is expected in Washington late this week to discuss the decisions of the Arab summit meeting at Fez, Morocco.

In his statement on Mr. Gemayel's departure, Mr. Reagan said the talks "covered a full range of issues with particular focus on our shared objectives of prompt withdrawal of all foreign forces from Lebanon."

"We also discussed Lebanon's goals in restoring authority and control of the central government

and all parts of the country," Mr. Reagan said. "In this regard, I reaffirmed the United States' support for the sovereignty, unity, territorial integrity and freedom of Lebanon."

On questions of aid and reconstruction, U.S. officials said plans were under consideration in both the economic and military areas.

On economic assistance, an official said the United States was considering "preliminary helping" but that plans were not yet firm. "We would expect the vast majority of assistance required would come from other sources," the official said.

On military assistance, officials

said a survey team had just returned from Beirut but had not completed its report. An official said the United States likely would "play a role through foreign military sales credits" in the anticipated expansion of the Lebanese Army.

Mr. Gemayel arrived Monday night after appealing before the United Nations General Assembly for immediate withdrawal of foreign forces from his country.

Senior Reagan administration officials in Washington said publicly for the first time Monday that their "target date" for a withdrawal of the Israeli, Syrian and PLO

forces from Lebanon was "the end of the year."

The officials noted Monday that Foreign Minister Yitzhak Shamir of Israel said publicly recently that a withdrawal of all forces from Lebanon could be carried out by the end of the year.

But Monday marked the first time that top U.S. officials have spoken of a specific timetable on the process and agreed with the Israeli assessment.

"We think that's a great time," an official said.

The withdrawal of the three warring forces from Lebanon would be a big step toward what the Reagan administration hopes will be eventual stability for the Gemayel government.



President Reagan escorted President Gemayel from the White House after talks Tuesday.

Knesset Reaffirms Begin's Stand On Limited Palestinian Autonomy

By William E. Farrell
New York Times Service

JERUSALEM — Prime Minister Menachem Begin won parliamentary approval again Tuesday night for his tough stand on limited autonomy for the Palestinian Arabs of the West Bank and the Gaza Strip, along with his vowed intention not to relinquish control of the territories.

The vote of 56-5 favoring the prime minister's position followed two days of debate in the Knesset on Mr. Begin's foreign policy. He called for resumption of the autonomy talks under the terms of the Camp David accords, which brought about the peace treaty between Egypt and Israel.

As he did on Monday, Mr. Begin slighted other peace plans set forth recently, including one by President Ronald Reagan, when he said in reference to the Camp David pact: "There is no other plan

today. The only plan is autonomy with a transition."

Mr. Begin favors a plan whereby the 1.3 million Palestinian Arabs of the West Bank and Gaza, which Israel captured during the 1967 war, would run their day-to-day affairs while Israel retained control over the security of the territories.

The Egyptians favor a plan leading to the creation of a Palestinian entity, as well as the abolition of the Israeli settlements and the gap in views has ground the autonomy talks to a halt numerous times during the past three years.

Most Palestinians, particularly those with fealty to the Palestine Liberation Organization, have regarded the autonomy talks all along as a sham.

Mr. Begin reiterated Tuesday night his belief that the West Bank, which he refers to by the biblical terms of Judea and Samaria, are part of the Jews' heritage, and that the Israeli settlements there are legal and that there should be more of them.

He again belittled the plan favored by some members of the Labor Party opposition for a solution to the Palestinian problem by some sort of federation with Jordan. Referring to the West Bank and to East Jerusalem, which was taken from Jordan during the 1967 war, Mr. Begin said, "We'll make sure King Hussein gets neither."

Former Prime Minister Yitzhak Rabin of the Labor Party clashed with Mr. Begin, saying that continued retention of all of the territories would result in the alteration of the nature of the Jewish state because of the large number of Arabs involved.

UNIFIL Mandate Extended
Responding Monday to a request from President Gemayel, the United Nations Security Council unanimously approved a motion to keep a 6,500-man UN force in Lebanon for another three months, United Press International reported. The UN Interim Force in Lebanon (UNIFIL) was created as a buffer between Israeli and Palestinian forces after the 1978 Israeli invasion of southern Lebanon.

Accord on a Truce
In Kfartatta, Lebanon, warring Druze and Phalangist factions have agreed to a truce, an Israeli official said Tuesday. "They have reached an agreement that neither the Phalangite nor the Druze would carry guns in the street," the official told The Associated Press.

Five people died in four days of fighting last week. The Lebanese Army moved in a small number of soldiers Monday and set up a single emplacement in the street between the Druze and the Phalangites, but the Israelis have refused to leave. Kfartatta is 10 miles south of Beirut.

20 Poles Seek Asylum In Sweden After Escape By Plane Across Baltic

STOCKHOLM — A Polish aircraft carried 20 Poles, including five children, across the Baltic Sea Tuesday in an escape from martial law, police in Sweden said.

The single-engine plane landed at the Sturup airport just outside Malmo on Sweden's southwestern coast Tuesday night, a police spokesman said.

It was the second time a Polish plane landed in Sweden with refugees since Poland imposed martial law in December 1981. Last June, five Poles fled in a small twin-engine plane to Malmo and were given asylum.

Hundreds of Poles have been granted asylum in Sweden since the military crackdown on Poland's independent trade union, Solidarity, which was banned Oct. 13.

In Warsaw, meanwhile, the Polish government said Tuesday it had successfully weathered initial anger at its ban on Solidarity and did not expect a worsening wave of riots and strikes after last week's arrest.

"The extremist groups of political opposition still haven't given up," said a government spokesman, Jerzy Urban, at a news conference. "But they don't command

enough strength to organize strikes and demonstrations on a larger scale."

His statements indicated the government is confident that the worst is over after strikes and riots in Gdansk, Nowa Huta and several other cities that followed the outlawing of independent unions.

Of the new refugees in Sweden, Eve Sinifalt, a duty police superintendent at the Malmo police headquarters, said: "They have asked for political asylum. They are on their way in here now."

"If they risk being persecuted back home, they will be given asylum," said Tord Palmrud, director-general of the State Immigration Board in Norrkoping.

Mr. Sinifalt said the plane was a Soviet-made Antonov crop duster, used for spraying agricultural fields.

Also in Poland, church sources said the Roman Catholic leader, Archbishop Jozef Glemp, was planning to make a previously postponed visit to Pope John Paul II at the Vatican. The move was interpreted as adding to the feeling that the unrest had abated.

U.S. Spying Is Charged
Poland's army newspaper charged Tuesday that Western spies, including U.S. diplomats



Jerzy Urban

EC Agrees to Reduce Steel Exports to U.S.; Bonn Wins Concessions

By John Tagliabue
New York Times Service

BONN — The European Community agreed Tuesday to a plan to limit steel exports to the United States voluntarily after West German negotiators obtained concessions meeting Bonn's objections to important parts of the plan on steel pipe exports.

All nine of Bonn's European Community partners had previously approved the plan, which could end a dispute between Washington and the Common Market by limiting the European share of the U.S. market for carbon and alloy steel products and steel pipes and tubes until the end of 1985.

Common Market officials said the success of the compromise, reached after a daylong session of bargaining at European Community headquarters in Brussels, still depended on Washington's acceptance of the modified proposals.

The European proposals were made necessary after the International Trade Commission concluded in an investigation that steel imports from subsidized countries in Common Market countries damaged the U.S. steel industry.

The concessions by the European steel makers and their governments were aimed at winning the

U.S. steel industry's approval of a steel trade agreement between Washington and the European Community.

Europe's steel industry is suffering a severe slump, and the agreement would suspend punitive duties that were scheduled to take effect Oct. 21 under the ruling by the International Trade Commission.

U.S. and European negotiators had reached a tentative limitation agreement, but a final full accord was blocked by differences on the inclusion of steel pipes and tubes, which West Germany opposed, and on procedural questions for monitoring imports.

The plan approved in Brussels on Tuesday proposes limiting European exports of carbon steel and alloy steel products to 5.7 percent of total U.S. consumption, and limiting European shipments of steel pipes and tubes to 3.9 percent of U.S. consumption, the average attained between 1979 and 1981.

One concession that enabled Bonn's negotiators to consent to the plan included assurances of virtual exemption of West German steel pipe shipments from the limits. West Germany has argued that its tube and pipe sales were not unfairly priced or subsidized.

The negotiators also agreed that

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■ Commanding center stage with complete assurance from the very start of his papacy, John Paul II has expounded a program that has raised fervent hopes among some Roman Catholics and has caused deep misgivings among others. **Page 7.**

■ The Chinese Communist Party newspaper defended the leadership's goal of quadrupling the country's industrial and agricultural output in the next 20 years against widespread criticism that China was again setting up unreachable targets. **Page 2.**

■ President Reagan is carefully sticking to prepared scripts as he leads Republicans into the final two weeks of the midterm campaign. **Page 3.**

Shultz Says U.S. Seeks Democratic Reform In Communist Nations

By Bernard Gwertzman
New York Times Service

WASHINGTON — Secretary of State George P. Shultz said Monday that recent developments in communist countries "suggest that a new age of democratic reform and revolution lies ahead of us."

He said that although the United States would not seek to foment violent unrest, it also would not ignore those seeking to bring about change.

"It is our responsibility, both moral and strategic, to meet their calls for help," he said before the opening session of a two-day State Department conference on finding ways to spread democracy to communist countries.

The conference, which was held behind closed doors except for speeches by Mr. Shultz and Lawrence S. Eagleburger, undersecretary of state for political affairs, brought together Soviet émigrés, American academics and government specialists.

The meeting was the first public follow-up to a speech in London last July by President Ronald Reagan in which he announced an American political offensive to spread democracy to communist countries.

Mr. Shultz said that the

"weaknesses of communist societies are becoming increasingly apparent."

"Popular desires for freedom remain strong," he said. "The concessions that communist regimes make to popular sentiment and to economic necessity may sow the seeds of their transformation."

He cited the rise of Solidarity in Poland as the prime example of this trend, but cautioned that "internal forces must be the major factors for democratization of communist states."

"We do not seek to foment violent unrest or to undermine communist regimes," Mr. Shultz said. "Yet we will not ignore the individuals and groups in communist countries who seek peaceful change."

As far as could be ascertained, this was the first time the State Department had officially sponsored a meeting to discuss ways of changing the structure of communist countries.

Mr. Eagleburger said the Soviet press would probably call the meeting provocative and a return to the "bad old days of Cold War and confrontation."

"But all these claims will prove to be how lacking in confidence in their own system are those who make them," he said.

Buenos Aires Is Discovering the Pain of Hunger

Food Lines and Homeless Children Suddenly Appear in Argentine Capital

By Kenneth Freed
Los Angeles Times Service

BUENOS AIRES — Argentina is a country in pain, the pain of a lost war, the pain of economic collapse, the pain of thousands of dead and missing as the result of military repression.

And now, the pain of hunger.

In a land of uncommon wealth, fertile land and enormous food production, thousands of men, women and children suddenly do not have enough to eat.

That is not apparent everywhere. In the center of Buenos Aires and in the wealthy neighborhoods of Barrio Norte, Palermo and Belgrano, posh restaurants and bars are still crowded with the well-to-do.

But the wounds are not hard to find. The American Community Church, in the heart of the financial and business district, offers free milk, tea and bread to schoolchildren who have no food at home.

A block and a half from where the Argentine Congress meets, in a middle-class neighborhood, 230 persons, including many small children, line up twice a day for free meals at the Roman Catholic Church of Regina de Mary.

The scene is repeated at several other Catholic churches, according to church officials, and the numbers are growing.

Evidence of hunger and unemployment is strikingly obvious in the working-class and industrial areas of Buenos Aires.

In the southern suburb of Quilmes, Catholic priests say that 26,000 people with no other

source of food are fed in their churches every day.

There are many, many others too proud to openly admit they can't afford to buy food for themselves and their families, a church volunteer said. "They depend on friends and family, or they simply go without. It is very sad."

Food lines, soup kitchens and beggars are new to Argentina, a country that boasted until a year ago that, whatever else was wrong, nobody went hungry.

Meat was the staple, usually eaten twice a day. The annual per-capita consumption of beef was 220 pounds (100 kilograms) a year. Bread and pasta were inexpensive and plentiful.

Argentina's 26 million people generally ate all they wanted, and the ranchers and farmers were still able to export up to 500,000 tons of meat a year, along with 30 million tons of grain.

How could a country go from plenty to hunger overnight?

Most economists and politicians here blame the topsy-turvy economic policies that go back to just after World War II, when Juan Perón began his dictatorial rule by protecting local industry, heavily subsidizing or nationalizing businesses and engaging in demagogic public giveaways.

Later, as coups installed unstable military governments, there were erratic swings between Peronist programs and free-market policies.

But the current ills are blamed specifically on the inefficient and often corrupt military

men who have ruled since the government of President Isabel Perón was overthrown in 1976.

Taking over when Argentina suffered from 400-percent annual inflation, the generals replaced a Peronist system with yet another hard-line free-market program, one marked by an explosion of imports, strict currency controls and an overvalued peso.

The result was the strangulation of local industry, a plunge in exports of everything but grain, and a serious foreign debt.

Inflation was not cured, and it has not been under 150 percent a year since the coup. Unemployment, which had not been a problem, is now severe. Real wages have fallen drastically, as has industrial production.

Then came the war with Britain last April over the Falkland Islands. Argentina's defeat left the military devoid of public respect and internally demoralized.

And a plan to return Argentina to democracy in 1984 has created a lame-duck government that seems incapable of taking any positive action.

The results are clear. Even by the government's suspect accounting, retail inflation is now 204 percent a year. Wholesale price inflation has been nearly 290 percent over the last 12 months, and wages have fallen 31 percent in real value since January.

Unemployment, calculated conservatively, is 18 percent — and it is higher than 55 percent in construction and other industries.

Private economists and foreign diplomats

(Continued on Page 2, Col. 1)



Peronists burned British and U.S. flags and chanted anti-government slogans Monday as 30,000 people attended a Buenos Aires rally. Fights and bottle-throwing broke out between factions of the divided movement, and one group walked out.

Progress Is Reported In U.S.-European Talks On Pipeline Sanctions

Compiled by Our Staff From Dispatches
WASHINGTON — The United States and its West European allies have narrowed their differences over ways of penalizing the Soviet Union for its alleged role in the Polish crisis, the White House said Tuesday.

President Ronald Reagan said Monday night that Washington was willing to lift sanctions on a Soviet gas pipeline if agreement were reached with Washington's European allies on alternative restrictions.

The deputy press secretary, Lar-

ry M. Speakes, said Tuesday that progress had been made in talks with the allies. "The differences have been narrowed," he said.

He declined to elaborate, saying there would be no further comment until the talks were finished.

The sanctions were severely criticized in Western Europe, where several companies defied the U.S. ban by shipping pipeline equipment after being ordered to do so by their governments.

Mr. Reagan said Monday night he imposed the sanctions only following the breakdown of negotiations with the allies over penalties against the Soviet Union after the Polish government imposed martial law in December.

The White House spokesman said Tuesday: "Our policy is to bring pressure on the Soviet Union, pressure on the Polish government, to end the repression the Polish people have experienced over the last year."

He said the United States had not made specific proposals for measures to replace the pipeline sanctions. He would not say if Mr. Reagan wanted West European governments to come up with their own proposals first.

West European leaders say they must honor signed contracts to deliver equipment for the natural gas pipeline and point to Mr. Reagan's offer last week to expand grain sales to the Soviet Union.

Mr. Speakes said the talks with West European countries were wide-ranging and were taking place in the broad context of East-West trade.

Mr. Reagan said Monday night that the administration was "trying again" to find another set of restrictions against Moscow.

"We will be willing to lift them if the administration 'can get a better set' other than the sanctions," he said.

His comment came in response to a question from a Republican fund-raiser in Joliet, Illinois. The questioner told Mr. Reagan that Caterpillar Tractor Co. has been "badly hurt" by the sanctions, with "thousands of workers" laid off in Joliet.

"Isn't it time to lift those sanctions?" Mr. Reagan was asked.

To a questioner who said the sanctions "had hurt American workers while failing to punish Moscow," Mr. Reagan replied: "Our sanctions have hurt the Soviet Union."

Mr. Reagan said he was sorry about the layoffs and added that Caterpillar had also been hurt by unfair trade competition from abroad.

FBI Reports Drop In Crime Figures

The Associated Press
WASHINGTON — The number of crimes reported in the United States in the first half of 1982 was 5 percent lower than in the first half of 1981, the first decrease since 1978, the Federal Bureau of Investigation said Tuesday.

But law enforcement officials and crime experts warned about attaching too much significance to the latest figures. Attorney General William French Smith noted that reported crimes reached a high in 1980 and remained at that level through last year.

The latest figures listed a 3-percent decrease for violent crime and a 6-percent decline for the more numerous property crimes. Murder was down 8 percent; robbery 7 percent and rape 6 percent. Aggravated assault increased 1 percent, the only violent crime shown to increase. Burglary dropped 11 percent, and larceny-theft and auto theft each declined 3 percent.



Chancellor Helmut Kohl of West Germany and Prime Minister Margaret Thatcher before their meeting Tuesday in London.

Kohl, Thatcher Confer On Pipeline and Steel

The Associated Press
LONDON — Helmut Kohl, West Germany's new chancellor, flew to London aboard a private jet Tuesday night for an evening of talks with Prime Minister Margaret Thatcher, their first meeting since Mr. Kohl took over from Helmut Schmidt.

The Soviet natural gas pipeline and steel industry quarrels between the United States and its European allies were said to be on the agenda for the meeting, but no formal decisions were expected.

The session is to be a prelude to the annual British-West German summit, to be held in Bonn Oct. 28 and 29.

Mr. Kohl and Mrs. Thatcher seek a coordinated strategy following the imposition of U.S. sanctions against European companies for providing equipment for the Siberian pipeline, and the approaching deadline in the dispute over subsidized European steel exports.

President Ronald Reagan said Monday that the United States was exploring alternatives to the pipeline sanctions with its European allies. "If we can get a better set of restrictions, other than the sanctions," Mr. Reagan said, "we will be willing to lift those sanctions."

Mr. Reagan has sought to block the natural gas project by banning the use of American technology for pipeline equipment. He has said he wants to punish the Soviet Union for its support of martial law in Poland.

But companies in Britain, West Germany, France and Italy have defied Mr. Reagan's embargo and are providing turbines and other equipment for the pipeline, which is to bring additional supplies of Soviet gas to Europe by 1984.

When the European firms began shipments to the Soviet Union, Mr. Reagan cut them off from further American oil and gas technology.

On the steel dispute, the United States is threatening to levy heavy duties on European firms unless they trim exports that U.S. steel companies say amounts to unfair competition.

West Germany is hesitating to go along with a European Community sales limitation agreement drawn up to meet U.S. objections.

The package includes quotas on steel pipes and tubes, particularly important for the West German steel industry. The Bonn cabinet is expected to reach a decision on the deal Wednesday, the day before a final U.S. ruling on duties against European firms.

Mrs. Thatcher's aides said she would seek an assessment of the German economy inherited by Mr. Kohl, plus his attitude toward the EC, which is still bogged down in a

budget dispute. Britain and West Germany are the only net contributors to the Common Market budget and want readjustments.

With Mr. Kohl, leader of the Christian Democrats, West Germany moved slightly to the right on economic policies.

Mrs. Thatcher is pictured as closer philosophically to Mr. Kohl, whom she has met twice before, than to Mr. Schmidt. But she and Mr. Schmidt had a warm working relationship, smoothed by Mr. Schmidt's ease with the English language. Mr. Kohl speaks no foreign languages.

Since Mr. Kohl's election Oct. 1, he has visited Paris and Brussels, where the EC has its headquarters. He is accompanied by his Free Democrat coalition partner, Foreign Minister Hans-Dietrich Genscher, who is to confer with the British foreign secretary, Francis Pym, mainly on the Middle East, officials said.

Beijing Paper Defends Ambitious Party Plan For Economic Growth

By Michael Parks
Los Angeles Times Service

BEIJING — The Chinese Communist Party newspaper People's Daily has defended the leadership's goal of quadrupling the country's industrial and agricultural output in the next 20 years. There has been widespread criticism here that China has again set unachievable targets that retard economic development.

In a lengthy editorial Monday, the paper said the new growth target does require the high average annual growth rate of 7.2 percent through the year 2000. But it said that this growth rate is within reach and that it cannot be compared with the "fantastic" goals set during such development efforts as the disastrous Great Leap Forward of 1958, when steel production was to be doubled in a year.

As Chinese have discussed the program adopted last month at the party's 12th national congress, they have become increasingly skeptical about the ambitious economic goals. Past failures have frequently brought a strong political backlash, and some Chinese fear that a faster pace of development will come at the expense of better living conditions.

A small number of comrades question whether this quadrupling can be achieved, the editorial said of the output plan.

It noted that the question has been perhaps the most widely discussed issue since the party congress. Regarding the goal of quadrupling output, the paper asked rhetorically, "Is this again setting too high a target or blind progress?"

The paper acknowledged that comparisons are being drawn with Mao's Great Leap Forward, which is now officially regarded as a mistake of his "personal dictatorship."

It also said comparisons are being drawn with the so-called New Leap Forward, which was launched in 1978 and had ambitious goals for rapid industrial de-

velopment, including the importation of entire manufacturing plants.

The extent of the skepticism here is a reflection of the continuing "crisis of confidence" that the Chinese leadership faces following several political and economic setbacks over the last three decades.

The editorial, entitled "Answering a Question," took pains to explain how the new plans are different from those of the past. It said the new plans had been drawn up in a stable political environment and that they were based on a realistic assessment of the country's capabilities.

The editorial vigorously attacked officials and economists on the Chinese left who have apparently renewed pressure for an even faster rate of growth to be spurred by large-scale investment.

In commenting on the New Leap Forward, which was proposed by Mao's successor, Hua Guofeng, the paper said that this economic policy had not been based on research or feasibility studies. Plans to establish 10 large oil fields, to double steel production and to mechanize agriculture entirely within a decade were all just "fantastic slogans, manifestations of the guiding ideology of the party's major leading comrades," it said.

The editorial accused Mr. Hua, who has since been pushed aside by a faction led by Deng Xiaoping, of starting a "new personality cult." It said he had failed to correct the political mistakes of the Cultural Revolution and that he had failed to rehabilitate officials and individuals who had been purged.

The policy of readjustment calls for continued slow growth for the next two or three years to ensure proportional development afterward. The next five-year plan, starting in 1986, is to focus on renovating Chinese industry and on structural changes, including greater reliance on market forces.

Board Decides to Liquidate El Al After Vote by Airline's Employees

Reuters
TEL AVIV — The board of directors of Israel's national airline, El Al, decided Tuesday night to liquidate the ailing company after employees voted only limited support for a drastic reorganization plan.

A spokesman for the board said the "conditional support expressed by the workers for the company's restructuring plan was only a delaying tactic which the board could not accept."

The board voted to recommend to the government that the state-owned airline be closed down completely and sold to private interests, the spokesman added.

Transportation Minister Haim Corfu said later he would transmit the board's decision to Prime Minister Menachem Begin. The cabinet, which holds its next meeting on Sunday, must approve the decision before it becomes final.

Asked if the closure might be delayed to allow further negotiations with the 5,000 employees, Mr. Corfu told reporters: "Technically, the possibility exists, but it is not likely after all the negotiations that have been held."

Earlier, the employees said they could only agree conditionally to the reorganization plan, which included the elimination of about 1,000 jobs.

The troubled airline was grounded last month over a dispute with stewards. The directors of El Al, which has been hit by 61 strikes in the last decade, had said they were determined to resolve the airline's problems once and for all.

The Histadrut federation of Israeli trade unions has pleaded with unions to accept the board's terms and enter negotiations on the future of the company. But union spokesmen have said that the conditions, including one giving management the right to dismiss any employee for disciplinary reasons, are "draconian."

El Al officials have said that a decision to liquidate the company, established soon after the foundation of Israel 34 years ago, would probably take months to implement.

El Al has continued to incur big losses despite a 1980 austerity plan that considerably reduced staff.

The airline's employees recently won widespread public backing in their campaign against a government order, issued under pressure from ultra-Orthodox Jews, to stop the company from flying on the Sabbath and holidays.

In the era of airliner hijackings that began in the late 1960s, Israelis viewed their national carrier as the safest airline in the world but frequently complained about its unreliability because of labor disputes.

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American-Owned Cars Attacked in Frankfurt

The Associated Press
FRANKFURT — Three American-owned cars were attacked in Frankfurt early Tuesday, causing about 7,000 Deutsche marks (\$2,800) in damage, police said.

A spokesman for the U.S. Army in Frankfurt confirmed only that the attacks had taken place and said he had no estimate of the damage.

WORLD BRIEFS

Conference Vote on Israel Delayed

NAIROBI — The vote on an Algerian resolution to expel Israel from United Nations technical conference was postponed at least until Thursday after Kenya, the conference host, adjourned the debate so a banquet would not be delayed. Wednesday is a holiday in Kenya.

The United States has threatened to walk out of the conference and suspend payments to the International Telecommunications Union if the resolution to expel Israel is approved. Michael Gardner, the chief U.S. delegate, has also warned that the United States would suspend financial support to the agency.

Iran took some of the sting from Mr. Gardner's threat, however, by quickly offering to make up any U.S. funds lost if the resolution succeeds. The United States pays \$3.2 million annually, 7 percent of the agency's budget.

India Cracks Down on Rioting Sikhs

NEW DELHI — Authorities ordered police and paramilitary troops to shoot rioters on sight Tuesday in the Sikh holy city of Amritsar as an uneasy calm prevailed after a day of arson and looting by militant Sikhs. The orthodox Akali Dal, or party, has been agitating for greater political and religious freedom in Punjab state, where most of India's 1.5 million Sikhs reside.

The shoot-on-sight order was meant to "discourage mischievous elements from indulging in acts of arson and violence," said a Punjab government press statement. Many shopkeepers in Amritsar, 250 miles (400 kilometers) northwest of New Delhi, kept their stores closed Tuesday in protest of Monday's violence.

Chinese Pilot Seeks Asylum in Taiwan

SEOUL — A Chinese Air Force major flew his MIG-19 fighter jet to South Korea on Saturday only to refuse so he could defect to Taiwan and he now wants political asylum there, diplomatic sources said Tuesday.

"The pilot wants to go to Taiwan," a source said. "We understand the Nationalist Chinese Embassy in Seoul is in touch with the South Korean government."

In Taipei, government officials who asked not to be named confirmed the contact and identified the pilot as Major Woo Yung-kang, 25. The pilot's wish to be sent to Taiwan could become a touchy issue for the South Korean government, which has been trading a diplomatic line between Taipei and Peking.

Salvador Troops Forced Out of Town

SAN SALVADOR — Beleaguered government troops abandoned a town in northern Chalatenango province because of guerrilla pressure, a regional National Guard commander said Tuesday.

The commander, who asked not to be identified, said 30 National Guardsmen and 30 civil defense troops assigned to the town of San José Las Flores left over the past few days. He did not elaborate.

The town of 5,500, about 50 miles (80 kilometers) north of San Salvador, is near Las Vueltas, which guerrillas have occupied since Oct. 10. The government ended an operation involving 5,000 troops in Chalatenango during the weekend without retaking Las Vueltas, but it is expected to go into the area again soon.

Pretoria Church to Keep Racial Policy

JOHANNESBURG — After a week of deliberations, South Africa's influential all-white Dutch Reformed Church has decided to make no immediate changes in its support for the government policy of racial segregation.

By Monday, almost all contentious issues had been shelved, referred to commissions for study, or ignored by the church's 508 delegates at the general synod, a meeting held every four years. The most pressing issue, dealing with the need to reappraise theological doctrine to determine if it justifies white supremacy over the country's majority black population, was referred to a commission that will report back in four years.

Two open letters calling for racial reconciliation, one from a group of 123 clerics and another written by 33 prominent churchmen, were kept off the agenda on procedural grounds. Analysts believe the church's unchanged position represents a challenge to the racial reform policy that Prime Minister Pieter W. Botha has been trying to put into action.

U.S., Canada Near Pact on Missiles

WASHINGTON — The United States and Canada are close to an agreement that would permit U.S. Air Force B-52 bombers to launch nuclear cruise missiles into a Canadian target zone for testing in inclement weather over terrain similar to that of the Soviet Union, Defense Department officials said.

The officials said Monday that the air force hoped that the agreement, part of a larger pact allowing U.S. military forces to test weapons in Canada, would be signed in time for tests this winter.

The B-52 bombers stationed at in upstate New York would carry the missiles and fire them into a Canadian Air Force target area around Cold Lake and Pinetree Lake on the border between Saskatchewan and Alberta, the officials said.

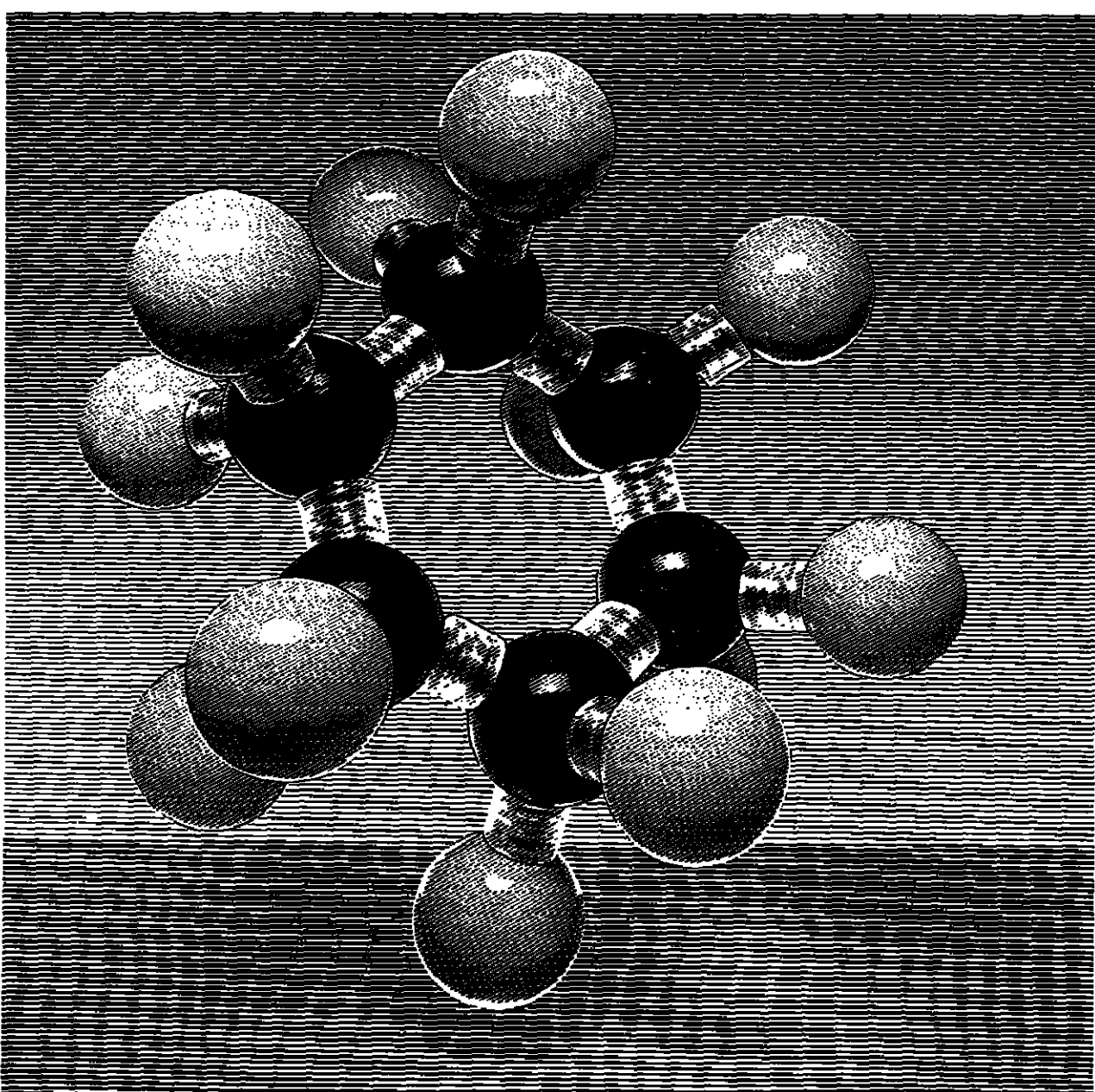
Butter Imports by Britain Approved

LUXEMBOURG — European Community agriculture ministers agreed Tuesday that Britain should be allowed to buy 87,000 metric tons (about 96,000 short tons) of butter from New Zealand next year, despite fierce controversy over the community's own dairy surplus.

But Edith Cresson, the French farm minister, said she would block formal implementation of the accord unless the community agreed to resume sales of subsidized butter to the Soviet Union. The butter exports, at prices well below those paid by West European consumers, were halted after the Soviet intervention in Afghanistan in December 1979.

Officials said the European Commission, which regulates the community's farm trade, was to discuss possible sales to Moscow on Wednesday and there was a fair chance the sales would be approved.

Compiled by Our Staff From Dispatches



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The 'Mr. Indispensable' Behind Reagan's National Security Staff

By Leslie H. Gelb

WASHINGTON — There is in government a type of person who is indispensable. The boss says he needs a memo first thing tomorrow; Mr. Indispensable stays through the night to get it done. The boss needs a few discreet telephone calls made to senators and diplomats; Mr. Indispensable does it. The boss wants all the publicity; Mr. Indispensable recedes into the shadows.

Robert C. McFarlane, who is deputy to William F. Clark, President Ronald Reagan's national security adviser, is that man in the White House when it comes to foreign policy.

By most accounts, "Bud," as the 45-year-old former marine colonel is known, is the man who actually runs the staff of the National Security Council and the interdepartmental committee system on a day-to-day basis.

He is credited by White House

aides as being a major shaper of the president's recent Middle East peace initiative, specifically with being a principal draftsman of the speech. He is also generally credited, along with Mr. Clark, with revitalizing the system for coordinating departmental positions, a system that was moribund for the first year and a half of the Reagan administration.

Those who work with Mr. McFarlane describe him as being both a hard-liner on dealing with the Soviet Union and in military matters. But they say he is also a realist, someone who quietly works to remove some of the rough edges of the Reagan national security policy.

Administration officials who have watched Mr. McFarlane and Mr. Clark work together say that Mr. Clark is the overseer, the keeper of the flame, the one who knows what Mr. Reagan really thinks. Mr. McFarlane, they say, does almost everything else.

By most accounts, Mr. Clark gives his deputy a free run not only because Mr. McFarlane knows far more about foreign and military matters and far more about how to make the system function than he does, but also because Mr. McFarlane is the kind of man who does not deliberately seek publicity. Characteristically, he refused to be interviewed for this article.

"Bud is going to hate this article," said one of his longtime friends, "no matter what it says."

Said another: "Bud doesn't mind having his picture in the paper and getting some recognition as long as it happens without his approval." He was referring specifically to the attention given Mr. McFarlane last year when former Secretary of State Alexander M. Haig Jr. sent him to Israel for some tough private conversations with Prime Minister Menachem Begin. At that time, Mr. McFarlane held the sixth-ranking position in the State Department, that of counselor.

Mr. Haig used him for special assignments, such as pushing the Pentagon to devise military options for dealing with Cuba and Central America. Mr. Haig also sent him on a secret mission to Pakistan to try to persuade leaders there not to go forward with plans to build nuclear weapons.

It was in the State Department that Mr. McFarlane began working closely with Mr. Clark, who was then Mr. Haig's deputy. Mr. Clark asked Mr. McFarlane to come along to the White House with him to cement working ties with Mr. Haig. As a marine accustomed to following orders and as an experienced staff man, Mr. McFarlane made the necessary shift in loyalties.

Now, Mr. McFarlane sits in a tiny office, separated from Mr. Clark's corner office only by an even tinier office occupied by an executive assistant. Mr. McFarlane held that position himself for two years when Lieutenant General

Brent Scowcroft was the national security adviser to President Gerald R. Ford. And for two years before that, he was the military assistant to Henry A. Kissinger, then President Richard M. Nixon's national security adviser.

It was a heady place to be for a marine major. And it was there that Mr. McFarlane built his reputation as the quintessential staff man. As a rule, the quintessential staff man never ascends to high visible office. But it was in that capacity that Mr. McFarlane met Mr. Haig, who was serving Mr. Kissinger and Mr. Nixon in various capacities.

"Bud is very smart, very thoughtful, very loyal, keeps his own counsel and avoids publicity," said General Scowcroft, "and that's a pretty good combination."

According to friends, the Marine Corps did not appreciate Colonel McFarlane's White House and political experience, felt that he had gotten too soft and so sent

him to Okinawa in 1977. Feeling unappreciated and unhappy about President Jimmy Carter's foreign policy, the colonel retired from military service and joined the staff of the Senate Armed Services Committee. He returned to the State Department in 1981.

People who see Mr. McFarlane only at a distance often describe him as being "wooden" or "an automaton." Close friends report that he can be glib and even zany at small social events.

There is, however, not much social life for Mr. McFarlane, who seldom arrives at the office later than 7 A.M. and leaves late at night, six and sometimes seven days a week. He helps prepare Mr. Clark for the early-morning meeting with the president and often goes himself.

He is seen reaching into his pockets throughout the day, pulling out 3-by-5 index cards to jot down notes.

He is often on the secure telephone with the few other men who keep the wheels going each day. Undersecretary of State Lawrence S. Eagleburger and Deputy Defense Secretary Frank C. Carlucci 3d. They decide who will be responsible for what issues, and what information and recommendations need to be conveyed to Mr. Reagan and when.

Mr. McFarlane also spends a good deal of time with other White House aides, who find him one of the few foreign policy people they care to talk with and who have come to respect his political judgment as well. That quality in a man who was graduated from Annapolis and spent his life in the Marine Corps surprises some people until they discover that he was born into a political family.

William D. McFarlane, his father, was a Democratic congressman from Texas from 1932 to 1938.

Inevitably, there has been talk



Robert C. McFarlane

around the White House about what will happen if Mr. Clark moves on, and the possibility that Mr. McFarlane himself has a good crack at being national security adviser.

Nuclear Freeze Issue Appears to Play Role In Few U.S. Contests

By Judith Miller

WASHINGTON — While support for a nuclear freeze appears to be widespread throughout the country, the issue seems to have become important in only a handful of races for the House and Senate, according to analysts in both major political parties.

In those contests, activists and political specialists agree, the freeze issue could provide a critical margin of support for Democratic candidates.

Earlier this year, some proponents of a freeze were saying that the issue could affect as many as a few dozen races. But now they acknowledge that it is probably limited in impact to no more than five House races and four in the Senate.

A factor likely to mute the freeze's political impact is the emphasis placed on party loyalty by grassroots organizers of freeze resolutions. While one in four Americans will have an opportunity to vote directly on the issue this fall, the insistence at the state level on bipartisanship, or nonpartisanship, has complicated the efforts of Democrats to add those fearful of nuclear destruction to their party ranks.

Also, most Republicans, until recently, had managed to defuse the issue politically by not openly opposing calls for a nuclear moratorium.

This success was jeopardized when President Ronald Reagan lashed out at the movement while campaigning in Ohio. Mr. Reagan, who had previously refrained from criticizing freeze supporters or impugning their patriotism, charged that the movement was being inspired by "some who want the weak defense of America" who were "manipulating" many honest, sincere people.



A man burned a draft registration form in front of Selective Service headquarters in Washington. The demonstration Monday was held by a group called the "October 18 Resistance Campaign."

Study Says Growth in U.S. Forces Can Be Maintained Without Draft

By Dan Morgan

WASHINGTON — A presidential task force report says that it is likely the armed forces can achieve their goal of growing by 188,000 men over the next five years without resorting to a draft, provided military pay keeps pace with wages in the civilian sector.

The task force, set up in July 1981 under Defense Secretary Caspar W. Weinberger, predicted Monday that the manpower objectives could be met even if the Reagan administration's predictions of an improved economy and lower unemployment come true.

But some outside experts, who attributed recent gains in re-enlistments, recruitment and the quality of volunteers mainly to the recession, raised questions about that conclusion.

At the same time, all services have met their recruitment goals and some areas have put potential enlistees on waiting lists. Pentagon officials report three applications for each vacancy at officer candidate schools.

However, between now and 1987 the number of men between

ages 17 and 21 will decline by about 15 percent, while the armed services must grow by nearly 10 percent from a present strength of 2,099,000 to 2,287,000.

The task force's predictions were based on an assumption that women would continue to make up between 9 and 10 percent of the total enlisted persons in the armed forces for the next five years.

Other than a shortfall of 16,000 persons in army enlistments by 1987, which could be combated with bonuses, the task force reported that the overall growth figure of 10 percent could be met. But it warned that the expansion program could face difficulties if military pay falls behind civilian compensation.

There remains a tinge of apprehension among Republicans, however. Some officials of the Reagan administration say they fear that the freeze could have far more partisan, significant repercussions in the 1984 presidential campaign.

His comment, coupled with charges from other Republicans that Communists were involved in the movement to control nuclear arms, brought indignation from freeze proponents and civil liberties groups. Mr. Reagan retreated. The next day, he said that he had not been referring to Americans.

Earlier this year, pro-freeze groups targeted for defeat at least a dozen U.S. representatives who voted against a freeze resolution in the House last August, which lost by two votes. Of these races, freeze proponents say that the issue could help defeat five Republican representatives: Don H. Clausen of California, James K. Coyne of Pennsylvania, John Dunn of Michigan, John LeBoutillier of New York and Dennis Smith of Oregon.

Analysts assert that support of a nuclear moratorium could help Senator George J. Mitchell of Maine, a Democrat, in his race against Representative David F. Emery, and contribute to possible upsets of two Republican senators, Harrison H. Schmidt in New Mexico and John C. Danforth in Missouri. They also believe that the issue may help Governor Edmund G. Brown Jr. of California in his Senate contest with Mayor Pete Wilson of San Diego.

Some analysts argue that the presence of a freeze referendum on the ballot in California will bring liberals out to vote. Hence, they reason, the freeze is likely to help Democrats. But David Wilkening, a Republican consultant, argues that conservatives are just as likely to turn out in California to vote for ballot proposals that they care about: resolutions on gun control, a bottle bill and water conservation.

Reagan Sticks to Campaign Script Goal Is to Get Message Across While Avoiding Mistakes

By David Hoffman

WASHINGTON — President Ronald Reagan is carefully sticking to prepared scripts and staged media events while avoiding question-and-answer sessions with the press as he leads Republicans into the final two weeks of the campaign for the Nov. 2 congressional elections.

In a strategy that worked for Mr. Reagan in 1980 and was also employed by Presidents Richard M. Nixon and Gerald R. Ford, he is attempting to get his messages across to voters with a minimum of mistakes, questions or distractions from the Republican campaign line.

White House officials are planning no more presidential news conferences until after Nov. 2. And they are restricting the president's contacts with reporters by closing even his nonpolitical official or ceremonial functions to the press.

Monday, White House officials kept reporters away from the president throughout the day, even though he had a full schedule of meetings and events.

The press was barred when Mr. Reagan received the final report of a commission he set up on military manpower; accepted an award honoring him for the 1981 tax cut; signed two bills, including a major environmental initiative protecting coastal barrier islands; and received a report from the attorney general on the administration's civil rights performance.

Reporters were allowed only to witness the president greeting King Olav V of Norway in a brief session for photographers and television cameras. Mr. Reagan gave a noncommittal answer to a shouted question about his scheduled meeting Tuesday with President Amin Gemayel of Lebanon.

Behind these restrictions is a strategy effectively launched in 1980 after Mr. Reagan, then a candidate for the presidency, got off to a shaky start around Labor Day with, among other spontaneous remarks, his comment that the Vietnam War was a "noble cause."

His campaign advisers felt that

coverage of his off-the-cuff statements and stumbles was distracting from planned attacks on President Jimmy Carter's economic record.

As a result, Mr. Reagan's access to reporters was sharply curtailed. At most, he sometimes answered questions at curbside while climbing in or out of his limousine. While they were relaxed later in the campaign, the restrictions helped turn attention away from Mr. Reagan's foibles to his message.

White House officials have also been careful not to put Mr. Reagan into a position where he could be questioned in detail about his economic speech Wednesday in which he claimed to have made "important progress" on four out of five of the nation's most pressing economic problems.

The president's last news conference, on Sept. 28, was his 13th in office. During the same period, Mr. Carter had held 38 news conferences, including one on Oct. 10, 1978, less than a month before mid-term congressional elections.

The closest Mr. Reagan has come in recent days to being questioned on his policies was during two satellite broadcasts to Republican fund-raisers across the country, including one Monday night in which he answered questions from Republican loyalists by telephone.

But the questions were screened in advance by the Republican National Committee to highlight Mr. Reagan's claimed successes and to give him an opportunity to showcase Republican campaign themes this autumn. Officials said Mr. Reagan was told in advance about the general topic of each question.

Arms Talks Held in Geneva

United Press International

GENEVA — U.S. and Soviet negotiators met for two hours Tuesday in the negotiations on limiting medium-range nuclear weapons in Europe. It was the 44th session since the talks began last Nov. 30.

Cardinal Jaime Sin, archbishop of Manila, made the statement while commenting on the fatal shooting of a priest last week by military forces, the detention a day earlier of a priest who operated a social action center, and the arrest Monday of a priest on charges of possessing explosives and inciting rebellion.

"No layman is ready to speak out right now," Cardinal Sin said. "If you are a layman now, you will land in the stockade. So the priest takes over. If nobody releases the feelings of the people, there will be a revolution."

Special liaison committees between the church and the military are not working, the cardinal said. "The situation has become so tense now that they do not talk to one another," he said. "We should start talking again because we are supposed to be intelligent people and we should solve our problems by reasoning, not by the fist."

Philippine Priests Must Speak Out, Cardinal Asserts

Reuters

MANILA — The Philippines' leading Roman Catholic churchman said Tuesday that there could be a revolution unless priests are allowed to speak out in behalf of ordinary people in the country.

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Herald Tribune

Published With The New York Times and The Washington Post

Negative Diversions

Some of the Arabs have started something very silly and self-defeating. They want to kick Israel out of the United Nations system. Last month Israel's credentials were rejected by the International Atomic Energy Agency. In Nairobi, the International Telecommunications Agency may vote this week to exclude Israel. Next week the Israeli question is to come up in the General Assembly.

It should go without saying that it is a bad idea to remove individual members for political reasons from institutions whose chief reason for being is universality. It runs against sense, principle and the UN Charter. Politically, moreover, it is stupid. To gang up on Israel in this way mocks the implication that most Arab states recently went to some lengths to convey, at Fiez, that they are finally ready to accept Israel. The campaign has the effect of bringing the United States and Israel together at precisely the moment when the Arab strategy is to pry them apart.

How do the Arabs come to act in such a manner? At the General Assembly, Iraq and Syria launched the question. The "moderate" Arabs were unenthusiastic but flabby, and

round themselves under pressure to promote it. It is said now that Iraq and Syria have thought twice but fear to back off because then one of the crazies, like Libya, may grab the flag and embarrass them, or Iraq may grab it to embarrass Iraq. Such is the majesty of multilateral diplomacy.

The United States had hoped the thing would peter out. It didn't, and so over the weekend Secretary of State George Shultz issued a strong public warning that Washington would end its participation and funding in any branch of the United Nations, the General Assembly included, that ousted Israel. The thought is that his pledge gives sensible members of the world body the ammunition they need to prevail.

The United States Congress is already on record as favoring the firm policy Mr. Shultz presented. His position not only serves the requirements of American diplomacy in the Middle East, it is also the only position consistent with the strong American interest in making the United Nations a more effective instrument for world peace.

—THE WASHINGTON POST.

Volcker's Magic Words

The sighs of relief on Wall Street and Pennsylvania Avenue were almost audible when Paul Volcker spoke the magic words. "The prospects are good," said the chairman of the Federal Reserve, for some future reduction in interest rates. The words should help the rebound from the deepest recession since 1977. And he implied that the Fed would not lightly choke off a recovery. "The policy objective," he said, "is to sustain that recovery."

If the Fed has indeed shifted priority from fighting inflation to fighting recession, the long night of double-digit interest rates and stagnation might soon be over, and Americans could look forward to moderate growth that would at least tame unemployment. But Mr. Volcker was ambiguous about the longer term. It may be months before we know whether the Fed has truly abandoned the effort to ration credit by targeting money growth. Meanwhile, it is not too early to review the mixed results of this three-year experiment with money policy.

Hardly anyone objected strongly when the Fed shifted, in October 1979, to regulating the size of the money supply regardless of the effect on interest rates. Monetarists were happy; they had long argued for attacking inflation that way. More pragmatic economists were pleased. They had no faith in targeting money growth, but they thought a monetarist stance might appease a demoralized business community and generate a self-fulfilling confidence. Besides, they knew that Paul Volcker was no monetarist. He was just using a politically acceptable pretext for tough, traditional restrictions on credit—fighting inflation with recession.

So whether this policy change was correct depends on how necessary it was to pander to monetarist dogma and how much society was willing to pay to knock down inflation.

Monetary targeting as such proved to be a failure. It was too difficult to stabilize money growth on a month-to-month basis. And although monetarists dispute the point, the effort probably caused wild swings in interest rates that only eroded confidence.

Some also considered the underlying policy of severe credit restraint an outright failure. Lawrence Klein of the Wharton School argues that the dramatic decline in inflation is due largely to unrelated declines in food and energy prices. But most economists think that tight credit played a big part, by raising unemployment and moderating wages.

The harder question is whether the cure is worse than the disease. It now seems clear that the Fed overshoot. A similar decline in inflation could have been achieved with a much shorter period of super-tight money. Still, if Volckerism has broken inflation and if the economy can grow again without reviving it, the price may have been worth paying.

That price should not be underestimated. Unemployment of 10 percent and hundreds of billions of dollars in lost wealth only hint at the suffering caused by this deep recession. But the alternatives in a Washington mesmerized by "supply-side" fairy tales were extremely limited.

The only way to find out now whether inflation is safely washed from the system is not to impede reasonable growth. Mr. Volcker is unlikely to renounce restraint. One hopes, however, that the Fed will quietly adopt the goal of permitting real growth of 4 to 5 percent. That could probably reduce unemployment to a slightly less painful 9 percent in a year and test the stability of prices on the way to recovery. Every strategy is risky. The odds, and common decency, now favor a new attack on unemployment.

—THE NEW YORK TIMES.

Other Opinion

Against Expelling Israel

Those Arab and Asian states who seem bent on isolating Israel internationally by having it expelled from every United Nations body, including the General Assembly, should think twice about doing so.

As it happens, out of political prudence, some Arab and Moslem states have begun to doubt the wisdom of taking such an extreme step. It would mean the end of Israel's exposure in UN organs to worldwide moral pressure and criticism of its actions. True, Israel in speech and deed has shown scarcely concealed contempt for the United Nations, at least in its political role. But despite that attitude, which is itself partly a reaction to its ostracism in the United Nations by Third World countries, Israel is sensitive to such criticism and desperately wants to reduce its isolation in the world community.

Its expulsion from the United Nations would also give it the halo of appearing to be the innocent victim of a global conspiracy against it. However beleaguered it may claim to have been in the past, the events in Lebanon from June 6 onward have shown it to be an aggressive, politically ambitious regional power. Expelling it would regain for it much of the sympathy it has attracted until now as an underdog state. That sympathy has always been very strong in the West, especially in the United States, but it has for the first time been denied by Israel's action in Lebanon. The Arab and Moslem states ought to capitalize on this development in their favor, instead of undoing it by precipitate action.

These practical considerations apart, the expulsion of a member country from the various agencies of the world body for actions repellent to the majority of members is wrong in principle. The United Nations exists to bring nations together, not keep them apart; its role is to seek peaceful solutions to intractable world issues, not sit in judgment on the contenders. It can hardly help to bring about a more harmonious world order if it perpetuates antagonisms and takes a partisan stand on them. In Israel's case, the United Nations put its seal of approval on its creation in 1948 and must address the issues that have arisen since then within its forums. It can have little influence in the resolution of these issues if it expels one party to the dispute. And once one country is expelled, where does one draw the line? What if Iran demands Iraq's expulsion, or vice versa? Or if Somalia demands Ethiopia's expulsion, or vice versa?

By withdrawing from the unaffiliated International Atomic Energy Agency, which had previously voted to reject Israel's credentials, and by threatening to withdraw from any UN body which expels Israel, the United States is acting in conformity with its openly declared commitment to Israel's survival and security, but it is also upholding an important principle, which is in danger of being abandoned—the principle of the United Nations as a global mediatory body to which every nation must have access and in which every nation must be represented.

—THE TIMES OF INDIA (Bombay).

America's decision to suspend payments to the IAEA is very regrettable but, in the circumstances, justified. The Americans are right not to put up with the use of procedural chicanery to politicize what should be a technical agency. It is hoped that the IAEA will realize this and will find a way to repair the situation, since the useful work that it does could be severely compromised by the loss of the American payments. But of course the American gesture is important not only in the context of the IAEA but of the United Nations itself, where Iraq is now proposing that the Arab group should challenge Israel's credentials. Israel must indeed be got to comply with United Nations resolutions—or those of the Security Council at any rate. But forcing her out of the United Nations would hardly be a good way to start.

—THE TIMES (London).

MIAMI — Many factors have been advanced to account for what is now recognized as a worldwide economic crisis. No doubt all have contributed, from the half-century "Kondratieff cycle" of technological progress, to wanton government oversteering, to self-indulgence and labor intransigence, to oil prices. It is now clear that no economic theory and no country's management has had a magic formula that protects against the epidemic.

The Soviet Union is not trumpeting, as it did in the 1930s, that this is the "final crisis of capitalism," because the Marxist-planned economies have done even worse.

Nor can any Western leader boast of more wisdom than neighboring countries or predecessors. Somewhere in the industrial world every thesis is being tried, and all are in trouble. In the aftermath of World War II the victors recognized that national economic rivalries in the prewar years had helped provoke the conflict. Accordingly, they set up a new international system to prevent a repetition. It was a way of admitting that no country could go it alone and prosper any longer.

The system worked remarkably well for a quarter century. But that was mostly because it was not as international as it looked. The United States, with unchallenged dollar power, ran it with general consent. Now nobody is re-

ally running the system. Nobody, including the United States, has both the concentration of economic strength and the internal discipline to maintain healthy order in a trading world that has grown beyond the imagination of any participant in Bretton Woods. Economic power is dispersed, and interdependence is real.

With hindsight, it can be said that control was lost in the attempts to cope with the petrodollar crisis after 1973. The United States had already gone off the gold standard in 1971, when the attempt to pay for the Vietnam War without squeezing the home front caught up with it. The sudden shift of financial resources when oil costs were quadrupled did the rest.

The United States was slow to understand that the effects went much further than gas lines and a change to smaller cars. The new oil billionaires could not eat their dollars, any more than they could drink their oil. So the oil states sent the money back to Western banks through investments and loans. "Recycling," pumping money even though the source had changed, was proclaimed a success.

The pattern was the same after the second oil shock. Banks kept shoveling out money, debts kept mounting. Nobody paid much attention. But the money no longer flowed smoothly. A

By Flora Lewis

vast "Eurodollar" market, beyond the control of any government or regulation, developed in response to the eagerness to lend excess cash and the need to borrow. From a few billion dollars easing the margins of the established system, it ballooned into the current pool of more than a trillion dollars.

For several years the money sloshed around, provoking wild currency fluctuations that weakened major economies. Then the need to control inflation and the drying up of new money sources brought high interest rates.

Now it has to be seen that the attempts to let the market take care of the drastic upheaval in the circulatory system of the world's economic body left deep scars, like a heart attack.

A few years ago at a private meeting one of America's leading bankers protested against criticism of the way banks were distributing funds, willy-nilly, with little concern for coordinated growth needs. He argued that on the contrary banks were doing well and should be thanked for handling a crisis that had stymied governments. Any thought of international oversight would destroy their capacity, he said.

Whenupon a former official answered tartly, "That's just what your grandfather said when we set up the Federal Reserve System in the

United States." Events have been making the point sharper ever since.

Now there is too little, not too much, money being invested around the world. The leading boom got out of hand without oversight. The borrowing bust is beyond the ability of any government to manage reasonably.

As America came to see when it set up the Federal Reserve after a painful Depression, there comes a stage in the size and complexity of economic affairs when they cannot be left to grow wild. Some guidance and regulated support is needed so that the distress and possible collapse of one part does not destroy the rest.

That stage has been reached in the world economy. The World Bank, within strict limits, cannot provide it. The International Monetary Fund could do a lot more but will not because Washington refuses. Reaganomics holds that it knows what is best and need listen to no one.

There is not going to be any worldwide economic authority any more than a One World political authority riding herd on nations. And that is surely for the best; differences are desirable as well as inevitable. But the time has come when real monetary and credit cooperation is urgent. Everybody is paying now for the failure to see that the time had already come with the first oil shock.

The New York Times.

The New Depression May Be Under Way

By Richard J. Whalen

WASHINGTON — President Reagan hails the explosive rally in Wall Street as a "strong vote of confidence" in the future of the U.S. economy. Wish were so, but the instruments of inflation and deflation; the credit they create, they can also withhold.

In the late 1970s the banks were benefactors. The world economy would have sunk into a depression except for the inflationary expansion of bank credit. Large banks in the United States, Europe and Japan took OPEC's short-term deposits and made long-term loans to oil-importing countries in order to sustain consumption at pre-OPEC levels.

Such "recycling" was enormously profitable. With official encouragement, American and foreign bankers violated fundamental banking precepts on a stupendous scale: They borrowed short-term and lent long-term for unproductive purposes to countries unable to repay their debts, or even keep up the interest payments. If any substantial part of these debts goes bad, leading banks will be bankrupt and the authorities will be faced with a horrendous crisis.

One of the world's most respected bankers, Johannes Witteveen, former managing director of the International Monetary Fund, warns that the crisis of confidence in the international banking system could turn the recession into a full-fledged depression. The risks are higher than at any time in the postwar era, he says.

Many foreign loans — those to Poland, for example — were bad the day the banks put them on their books. But the authorities looked the other way. The banks aggressively made new loans, establishing dubious assets and therefore reserves against which to create new money. The Eurodollar market, where this lending centered, grew almost exponentially.

In the summer of 1979, U.S. inflation escalated to the point where the dollar was an orphan on foreign exchange markets. President Jimmy Carter summoned a banker's banker, Paul Volcker, as the new chairman of

the Federal Reserve. In October that year Mr. Volcker introduced "practical monetarism" as the Fed's guiding policy. He moved to bring inflation under control by applying tough quantitative restraints on the growth of money and credit. As the Fed made cash scarce, the short-term price for it shot up above long-term interest rates. Inflation-adjusted "real" interest rates rose to heights not seen since the Great Depression.

Since 1979-80, aside from brief up-ticks, there has been virtually no net economic growth. — If it can.

The new American depression has not yet announced itself with a financial panic and crash, and perhaps there will be none. Already billions of dollars of paper values have been destroyed while the Dow Jones Industrial Average stagnated amid the last decade's inflation. The destruction of real assets in the industrial economy has been no less impressive. In old cities and towns across the belt of states extending westward from New



York, the American industrial base is systematically shrinking and leaving behind bare ground.

Some of the pain arises from acute uncertainty about what comes next — a long twilight as a second-rate industrial power? or an impossible-to-predict rebirth through the industrial application of new technologies?

The American economy cannot be healthy without a viable, internationally competitive manufacturing sector. And the world's leading superpower cannot support its defense establishment without dependable basic industries. These requirements should not be left to the blind chance of the marketplace. What the United States needs — as opposed to what it will wind up with if present trends continue — reveals a policy vacuum of highest national importance.

The writer, who was an adviser to the Reagan presidential campaign, is an economic consultant who advises Toyota and other Japanese firms.

Jaruzelski's Technocrats Warned Him to Spare Solidarity

The writer is a Western observer who returned recently from Poland. He requested that his name not be published.

PARIS — Toward the end of September when the Jaruzelski government was putting the last touches on its new labor union law, a group of its most trusted academic advisers gave it a long memorandum warning of seven dire consequences from the proposed abolition of Solidarity.

The academics, who brought their findings in person to Deputy Premier Mieczyslaw Rakowski, were not starry-eyed intellectuals. They were leaders of a newly formed "Patriotic Front for the Prosperity of Poland" that is widely despised as collaborationist. Many of them have been installed in positions of leadership in Polish universities, research institutes and media over better qualified colleagues in the aftermath of the imposition of "the state of war," as martial law is called in Polish. None of them can be accused of being anything less than hard-boiled creatures of the martial law regime itself. Their analysis is sobering, not only for the unfolding events in Poland, but for all observers of the unforgiving events in Poland.

Since most of these advisers are social scientists, they based their findings on a public opinion poll, a device widely regarded as a joke but which puts a gloss of expertise on what most Poles see as common sense.

The poll showed that the normal distribution thought to characterize public opinion had given way to a new pattern. Instead of the bulk of opinion being concentrated in the middle, with declining percentages at the extremes, the structure had become bimodal. The country was polarized between two extreme positions: 60 percent were strong supporters of Solidarity, and 20 percent — obviously an inflated figure — strongly backed the government.

But there was a significant difference between the two groups. Whereas the Solidarity backers formed a representative cross section of the nation, the pro-government group cited the counsels of prudence and stability. For Poland, which has a particularly young population structure, these results portend, according to the Patriotic Front academics, developments that are ominous for the government, as follows:

• First, the abolition of Solidarity would "sacralize" that organization, identifying it, along with the Church and the pope, with national aspirations. Just as nonbelievers in Poland are flocking to the churches, so would non-Solidarity members begin to embrace the outlawed union.

• Second, the move would force the Church — which the advisers

viewed as a mediating institution with a calming effect upon the populace — into a position of non-collaboration and possibly into an uncompromising opposition to the regime.

• Third, there would be work stoppages that would further weaken Poland's already declining economy and standard of living. Although rationing is now stringent (2½ kilograms of meat a month, half a liter of vodka, and so on), the government was planning a further 10-to-15-percent cutback before the imposition of the new union law. Cutbacks of 25 percent might be politically intolerable.

• Fourth, in the downward spiral of the economy the government would be blamed and thus would lose its main argument even among the elderly that it was the best hope for stability and security. This, the collaborationist advisers argued, was grossly unfair, since the real blame for the economic disasters of the economy, but still it was a political reality that should be faced.

• Fifth, the uncertainty generated by breaking a solemn agreement would generate other destabilizing uncertainties. Poland was already acquainted with runs on the shops with each new rumor of rationing. Far more serious would be rumors in the private agricultural sector that the government might renege on pledges to private farmers and start the long-feared collectivization of agriculture.

The new union law, after all, would entail dissolution of the new farmers' union. This, the advisers warned, could lead Poland's 3.5 million private farmers to a wholesale slaughtering of animals for market, creating a momentary increase in the meat supply followed by a vegetarian Poland.

• Sixth, there would probably be violence, including a clandestine resistance movement. And the regime could not play to placate its opponents with relaxation of martial law provisions, since the ongoing violence would make a prima facie case for further internment, surveillance and travel restrictions.

• Seventh, the sum of these developments would portend, the Patriotic Front academics concluded, replacement of the Jaruzelski regime, probably within a year or at most two.

This dramatic conclusion — Gen. Jaruzelski's downfall — was stated, not argued, but to any Polish party member the reasoning is self-evident. The martial law regime's dilemma is manifest in the new flag it is flying

over Central Committee headquarters in Warsaw, at the corner of New World's and the Warsaw-Bonle ward. Instead of the usual red flag, the new one is red on one side and red-and-white on the other. It thus reflects the party's record of appearing national at one moment and communist at the other, depending on which way the wind is blowing.

Since the return from internment to power of Wladyslaw Gomułka after the food riots of 1956, there has been a steady waning from the party leadership of the old Stalinist guard that spent World War II behind Soviet lines. The Polish Communist Party that has developed in its 25-year definition. Today a Polish party that could no longer claim to represent genuine self-determination within the Warsaw Pact would be without legitimacy in its own eyes and therefore without the will to persevere with Sta-

linist policies in a downward spiral of austerity and repression.

Although the dissolution of Solidarity may seem to Moscow a purely technical ploy to be counterbalanced by others, it is apparently taken with in Poland as a dramatic sign that the Poles are being treated as a non-nationality. From moderate and disparate people a visitor hears one remark with great frequency: "We Poles are not like the Czechs" — that is, not apt to tolerate prudent acquiescence and passivity.

National differences aside, counsels of prudence are bound to carry less weight among a young population that has not known Stalinism, that has tasted the wine of freedom and that believes that patience will only make its material lot worse.

Mindlessly, the regime proceeds with small incremental steps. It directs highly maneuvered tactics — such as the dissolution of all unions rather

than merely Solidarity — at a pragmatic center that exists only among its own dwindling supporters.

That the direction of pragmatic movement will be away from the Jaruzelski regime is evident in the very "availability" of the Patriotic Front analysis. Its contents were not surreptitiously leaked or spirited out of the country. They were summarized by members of the advisory group in open meeting with colleagues before the new union law was passed. In short, the government's own kept technocrats have gone public with a scathing critique.

If they cannot be controlled, who is to predict the actions of less tightly disciplined Poles? Certainly not Solidarity, which announced an orchestrated, national strike for Nov. 10, only to have un-planned demonstrations break out immediately. If matters get out of hand, only occupying troops or the release of Lech Walesa could restore a measure of control.

International Herald Tribune.

LETTERS TO THE EDITOR

Viewing Lebanon

Regarding "Lebanon: Ancient Clearings and Modern Anarchy" (IHT, Oct. 13) by Loren Jenkins:

To say, I think, I was rather surprised by Mr. Jenkins's article. He argues that "Lebanese stability, like Lebanese unity, is mere wishful thinking" and that "the disunity and violence loose in the land are as Lebanese as the cedar trees that give the country its national symbol." He writes about Lebanon's "basic contradictions." I would like to talk about Mr. Jenkins's contradictions.

How is it that in spite of all these dreadful characteristics (according to him) of Lebanon, Beirut became (and I quote him again) "the capital of the Middle East economically and culturally"? It became, indeed, the first one since the end of the 16th century.

Why does Mr. Jenkins fail to mention that Lebanon is the only Middle Eastern country other than Israel to have a democratic freely elected. It elects the president of the republic, and all religious groups are represented in the government. And so on.

As to Mr. Frangieh's son once flaunting his pistol toward the speaker of the National Assembly during a presidential election, I have checked

this with reliable people. It is not accurate, as the vote is secret until the results are proclaimed.

Mr. Jenkins speaks of "17-odd religious groups in Lebanon. It would be better to talk about 17 religious communities among Islam, Christianity, Jews and Druze. And disunity is not the origin of the Lebanese tragedy since 1975, but rather the presence of 600,000 Palestinian refugees in a country of 2,500,000 inhabitants.

The Palestinians became a state within the Lebanese state because of a typical but dangerous quality of the Lebanese: their sense of hospitality. Why did all these people go to Lebanon if the land was so dangerous?

Finally, I would like Mr. Jenkins to explain why, in spite of all the sins he attributes to the Lebanese over the last two months, and after seven years of an unprecedented ordeal, the Lebanese pound has appreciated 25 percent with respect to the U.S. dollar? As a former French ambassador in Beirut, I will tell him why: because all or nearly all Lebanese Muslims, Christians and Druze have a newly strengthened patriotic spirit and confidence in the future of their country now that the Palestinian leaders and fighters have gone.

PIERRE MILLET, Paris.

The 21st Century

Regarding John Chancellor's answer (reported in "People," IHT, Oct. 12) to TV Guide magazine's inquiry as to what he might be reporting on the "availability" of the Patriotic Front analysis. Its contents were not surreptitiously leaked or spirited out of the country. They were summarized by members of the advisory group in open meeting with colleagues before the new union law was passed. In short, the government's own kept technocrats have gone public with a scathing critique.

If they cannot be controlled, who is to predict the actions of less tightly disciplined Poles? Certainly not Solidarity, which announced an orchestrated, national strike for Nov. 10, only to have un-planned demonstrations break out immediately. If matters get out of hand, only occupying troops or the release of Lech Walesa could restore a measure of control.

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Letters intended for publication should be addressed to the editor and contain the writer's signature, name and address. Brief letters receive priority, and letters may be abridged. We cannot acknowledge all letters, but we value the views of the readers who submit them.

OCT. 20: FROM OUR PAGES 75 AND 50 YEARS AGO

1907: Progress in Aeronautics

NEW YORK — The Herald comments in an editorial: "There is an universal belief that we are on the eve of the most important discoveries ever made in aeronautics and that the answer long sought to the problem of complete mastery by man of aerial navigation is about to be had. Every move made, therefore, in the practical study of the subject is recognized by the public as so much nearer the desired end. The airship today is as far advanced as the automobile was 10 years ago. Its development, stimulated by such events as the first international balloon race in Paris last autumn, promises to be rapid and to yield equally practical results."

1932: Garbo's Mallorea Retreat

HOLLYWOOD, California — Greta Garbo, hounded wherever she goes by newspapermen and sightseers and now living in almost ascetic existence in a rural Swedish town, is to make a last bid for solitude in a remote island village of Mallorea. It is reported here. The house she will occupy has no electricity or gas, no running water, no bathroom, no telephone. But it has a high wall round the garden. An "amicable separation" has been reached between Adolphe Menjou, debonair lover of the screen, and his wife and co-star, Katherine Carver. Mrs. Menjou's lawyer announced, Mrs. Menjou is in a private hospital suffering from a nervous breakdown.

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NATO Diplomats Seek Common Strategy for Conference in Madrid

By James M. Markham
New York Times Service

ENN — Diplomats from the North Atlantic Treaty Organization have recently intensified their efforts to shape a common strategy for the Madrid conference on defense and human rights, which is to be held in Madrid next month. Their efforts are aimed at heading off another dispute between the United States and its West European allies.

According to diplomats in four capitals, both Americans and West Europeans are eager to avoid in Madrid a repetition of their confrontation over the Siberian natural gas pipeline. But they still have to reconcile the Reagan administration's stand against "business as usual" in Madrid with the demands of West European, and particularly West German, public opinion.

The conference on Security and Cooperation in Europe, which since the fall of 1980 has been the last West Helsinki accord, is scheduled on a stormy note March 12 with NATO delegations denouncing the Soviet Union and Poland for the proclamation of martial law in Warsaw and the suppression of Solidarity. The 35 participants, signers of the 1975 Helsinki Final Act, agreed to return to Madrid on Nov. 9 after what some diplomats called "a cooling-off period."

But particularly since the banning of Solidarity this month, the atmosphere has not improved for a resumption of the Madrid discussions which cover such diverse topics as cultural exchanges, emigration from Eastern Europe, working conditions for journalists and proposals for a European disarmament conference.

How do we communicate in Madrid when we reconvene the series of strong displeasure running

to outrage on Poland?" asked one American diplomat rhetorically. He referred particularly to the need to "reflect at the same time" what Chancellor Helmut Kohl "feels is the need to let his people know that we want to negotiate, that he doesn't want a nuclear war."

A few days ago Mr. Kohl strongly endorsed the Madrid gathering's quest to draw up a mandate for a European security conference. His endorsement underscored a persistent difference between Bonn and Washington.

The Americans are insisting that developments in Poland have made further substantive negotiations in Madrid impossible, while the West Germans and French, in particular, are eager to avoid looking as if they are turning their backs on the conference.

Although determined to pursue a firm anti-Soviet course in Madrid, the Reagan administration is also concerned about being helpful to Mr. Kohl's new government, which has firmly committed itself to the deployment of U.S. medium-range missiles in West Germany late next year.

Mr. Kohl, who has said he will hold elections in March, must persuade a restive and possibly volatile home front that contacts with the Soviet Union in such forums as Madrid and the Geneva talks on nuclear arms reduction are being given a full chance of success.

West German officials also argue that Madrid presents an ideal platform for denouncing Soviet transgressions of the Helsinki agreements.

In this context, U.S. diplomats are struggling to find a formula to permit the 16 NATO nations to remain united in Madrid without abandoning either the Bonn or Washington views.



GOING HOME — Sheila Rossall, 33, a British pop singer who suffers from a mysterious allergy, was carried to a specially equipped chartered plane in Oakland, California, for a flight to Bristol, England. Miss Rossall is allergic to most modern materials and food and underwent costly treatment in Texas. She then moved to California to convalesce, but she could not afford to remain, and the British government paid the \$37,500 cost of her return trip.

Physicist Assails U.S. In Suit Over A-Tests

New York Times Service

SALT LAKE CITY, Utah — When the United States was considering building a second Panama Canal in the early 1960s, the Atomic Energy Commission proposed doing the excavation with 315 megatons of hydrogen bomb explosions. But the idea was scrapped because it would have meant evacuating 40,000 Central American Indians from fallout areas, according to an expert in the medical effects of physical phenomena.

"It's interesting," said the expert, Dr. John Gofman, in federal district court here last week. "We were willing to move 40,000 Indians but weren't willing to do it for our own people" in a decade of above-ground atomic testing in the Nevada desert.

Dr. Gofman is emeritus professor of medical physics at the University of California at Berkeley and was one of the Manhattan Project scientists who developed the atomic bomb. He testified here for plaintiffs who are charging the United States with negligence in the conduct of more than 100 atmospheric nuclear tests from 1950 to 1962.

Witnesses have testified that they were not adequately warned about the adverse health effects of the detonations.

The multimillion-dollar damage suit, filed by 1,192 individuals, asserts that 300 cases of leukemia and other cancers that developed in people downwind of the testing were caused by exposure to fallout and that the government failed to protect those people.

The government denies the charge. When it begins presenting its case this week, it is expected to call witnesses who will say the doses of radiation to which people were exposed were insufficient to have induced the illnesses.

Dr. Gofman, who is also a physician and a doctor of nuclear physical chemistry, said, "There has never been in the history of science any evidence there is a safe level of radiation."

In his testimony before Judge

Bruce S. Jenkins, who is hearing the case without a jury, Dr. Gofman said that what were known as "permissible" levels of exposure for workers in the nuclear industry had been adopted merely for convenience. He added, "As you know, the history of permissible doses is they have come down as we learned more."

Under questioning by the residents' attorney, Ralph Hunsaker of Phoenix, Arizona, Dr. Gofman said that southern Utah residents who developed thyroid cancer 20 years after exposure to the fallout received a "highly conservative" radiation dose of 717 rads. A rad is a measure of energy absorption by human soft tissue.

He also estimated that the victims of melanoma among the plaintiffs received a dose of 237 rads.

Dr. Gofman's dosage estimates, the highest offered in the five-week trial, are based on 23 worldwide epidemiological studies that checked levels of radiation exposure against health effects. On the basis of the studies, he concluded there is a 1.02 percent increase in all cancers with each rad of exposure.

The case for the residents centers on 24 selected cancer cases, asserted to be representative of all 1,192 claimants. Dr. Gofman said he had prepared a report of dose estimates for each of the 24. In making the calculations he used the above-normal cases of cancer found in epidemiological studies by Dr. Joseph L. Lyon of the University of Utah and in a survey taken by Dr. Carl J. Johnson, a Colorado health researcher.

Dr. Gofman said his comparison of the Lyon and Johnson studies revealed an "astounding agreement" between them. Dr. Lyon's study of leukemia among children living closest to the test site reported an increase in cancers of 344 percent over the national rate. Dr. Johnson's survey of cancer rates among Mormons living in what are called high-exposure areas reported a 342-percent increase.

Spanish Paper Names Alleged Coup Plotters

MADRID — A political dispute broke out in Spain on Tuesday, nine days before the nationwide general elections, over a newspaper article naming persons allegedly connected with rightist coup plots.

The article, published Monday by the Madrid daily *Diario 16*, appeared two weeks after the government said that it had prevented a military uprising planned for election eve.

The article named the Argentine, Chilean and U.S. embassies here as being connected with plotters. The embassies denied the charge. Alfonso Osorio, a candidate of the conservative Popular Alliance who was also named in the article, called the accusations ridiculous.

Two military officers were transferred Tuesday from Madrid to remote regions, the official army bulletin said. One of them, Colonel Antonio Sire Canut, was held briefly last year on suspicion of planning a series of attacks with the help of Major Ricardo Saez de Ynesuillas, whose transfer was also announced Monday.

Major Saez was sentenced three years ago for plotting a coup. Political sources said that Monday's transfers may have been connected with the latest alleged coup plot.

Diario 16 published a document Monday that it said was a preliminary draft for investigations drawn up by a special police brigade and leaked to the paper.

Enrique Mugica Herzog, a leading Socialist named in the article, described it as a "dirty electoral maneuver" by the ruling Union of the Democratic Center party and a government minister.

The Interior Ministry declared that the document was not authentic, but Mr. Mugica said that he had known of its existence for some months.

OPEC Unit Says Iran Plans N-Plant

VIENNA — Iran is planning a nuclear power plant and aims to procure uranium domestically, the OPEC news agency said Tuesday.

Scientists at the Esfahan Nuclear Technology Center in Iran are working on a long-term plan for the construction of a nuclear power plant, according to the agency, which provides information about the Organization of Petroleum Exporting Countries.

The first stage of the plan, to be completed in two years, would cover research work, and the government had already provided funds and equipment for this, the agency said. The second stage would include constructing a test reactor to prepare for construction of a power plant during the third stage. The agency quoted an Iranian official as saying that Iran would work toward procuring uranium domestically.

Diario 16 said that Interior Minister Juan José Rosón told one of its reporters last week that the document was authentic but that he would have to deny it if it were published.

The Interior Ministry said that this was not the case. The minister had recognized in the document the names of certain persons under investigation but told the reporter that it was not drawn up by any official body, the ministry said.

The ministries of Defense and

the Interior as well as two conservative Madrid newspapers named in the article said that they were considering legal action against *Diario 16*.

Police activity was stepped up in sensitive areas of Spain after security officials predicted an increase in violence during the election campaign.

A man died in the Basque region Tuesday after being shot by Civil Guard members at a roadblock Saturday. They said that he failed

to stop his car when they fired warning shots.

The Basque town of Vergara was paralyzed Monday by demonstrators protesting the fatal shooting of a couple Saturday by police. Authorities said that the couple tried to race their car away from a roadblock.

The military wing of the Basque separatist group ETA claimed responsibility for two weekend machine-gun and grenade attacks on Civil Guard barracks.

Protestant Party Office Is Bombed On Eve of Vote for Ulster Assembly

By Ed Blanche
The Associated Press

BELFAST — A firebomb exploded Tuesday outside the Belfast headquarters of Northern Ireland's main Protestant political party, shattering windows and starting a small blaze, the police said.

The blast came on the eve of the election of a controversial 78-seat Ulster assembly.

The new provincial assembly is designed by the British to test whether Protestants and Roman Catholics can work together. It is the second such effort in eight years. But the belief is widespread that the new legislature is doomed to collapse in Protestant-Catholic feuding.

Leaders of the Protestant party, the Official Unionist Party, were inside the building at the time of the explosion but there were no reports of injuries, according to police. The bomb was placed on a window ledge outside the organization's Clangall Street headquarters in central Belfast.

The blast followed two attacks Monday on Protestants, including the wounding of an elementary school principal, who was shot while teaching a religion class in the border town of Newry, and a bomb attack on a farmer in County Londonderry.

The Irish National Liberation Army, the Marxist offshoot of the Irish Republican Army, said it was responsible for Tuesday's bombing as well as Monday's attacks.

The Official Unionists, led by James Moynihan, are fielding 42 candidates in the assembly election, the most of any party, but they oppose Britain's central aim of creating a forum for Protestants and Catholics to share power in the province.

Mr. Moynihan and four other candidates were in the building when the bomb was spotted by the party's general secretary, Norman Hutton. They took cover before the device went off.

The bombers succeeded in breaching increased security, with 25,000 police reservists and British troops guarding polling stations and candidates in the election.

The Rev. Ian Paisley and Gerry Adams, longtime rivals in Northern Ireland, are considered likely

winners in the election, which is widely seen as a battle between extremists. Mr. Adams and Mr. Paisley, who are expected to win seats in the assembly, represent the two extremes in the 13-year-old religious conflict.

Mr. Adams is the chief of Sinn

Féin, the political arm of the IRA. A former guerrilla, he has become the theorist of the nationalist movement fighting to unite Ireland after 60 years of partition. Mr. Adams, 33, has vowed not to take his seat if he wins.

Mr. Paisley, head of the pro-British Democratic Unionists, leads Protestant militants who oppose sharing power with Catholics. He has said he would use the new legislature to restore Protestant-majority rule — a move the British have pledged not to permit.

The election is the first contested by Sinn Féin under its own banner since 1969. The party is fielding 12 of the 184 candidates.

The assembly initially will have only an advisory role. But Britain's secretary of state for Northern Ireland, James Prior, hopes to give the group power over such matters as trade and education if it is shown that the two religious groups can work together.

Under the British plan, London will yield legislative power to the assembly only if 70 percent of the assembly members approve, thus guaranteeing a Catholic voice.

The assembly is the latest effort by Britain to find a power-sharing formula for the province, ruled directly from London since the Protestant-controlled parliament was suspended in 1972. An attempt to set up a power-sharing assembly in 1974 failed after Protestant militants held a 15-day general strike.

Palme Says Austerity Measures Needed To Overcome Swedish Economic Crisis

HAMBURG — Prime Minister Olof Palme of Sweden was quoted Tuesday as saying that his country's living standards would have to fall by 4 percent in the next year to help overcome the country's economic crisis.

In an interview with the news magazine *Stern*, Mr. Palme said that it was not possible to tackle Sweden's present economic crisis without taking measures that would be unpopular.

Last week, Mr. Palme, who took office Oct. 7 after September's general elections, announced a 16-

percent devaluation of the krona and a general price freeze.

He told *Stern* that the devaluation had been made to increase exports. "We can carry out no real anti-inflation policies while exports are not rising," the Swedish leader said.

Referring to the recent hunt for a foreign submarine near Sweden's Muskö Naval Base, Mr. Palme said Sweden would never be able to fully protect its coastline against such intrusions. But he said the incident would not affect Sweden's determination to adhere to its neutral status.

UN Action Said to Slow Killing of Iran Baha'is

The Associated Press

NEW YORK — A United Nations resolution adopted six months ago appears to have slowed the pace of executions of members of the Baha'i religious minority in Iran, international Baha'i leaders say.

But we haven't seen an improvement in the overall treatment of Baha'is," said Gerald Knight, who has lobbied for UN action to stop what the Baha'is describe as persecution of their fellow believers in Iran.

Last March, the UN Human Rights Commission adopted a resolution calling on the UN secretary-general to monitor what a subcommittee report called the "perilous situation" facing the Baha'is in Iran.

Since then, 19 Iranian Baha'is have been reported executed or murdered, Mr. Knight said. But in the months preceding the resolution several times as many Baha'is had been reported killed.

"The very existence of such a

resolution is useful because the Iranian government knows it is being watched," said Mr. Knight, of the Baha'is' UN liaison office in New York.

He said 116 Iranian Baha'is, many of them national or local leaders, have been executed or otherwise slain since Ayatollah Ruhollah Khomeini's Islamic revolutionaries took power in Iran three and a half years ago, and 14 have disappeared. About 200 are reported imprisoned.

In many of the executions, revolutionary courts accused the victims of spying for Israel — a charge that the Baha'is dismiss.

The Iranian government has barred Baha'is from government service and has seized Baha'i communal property and private property. It has closed Baha'i holy places and cemeteries and has sought to intimidate Baha'i adults and schoolchildren into recanting their faith, the Baha'i international community says.

Iranian Moslems regard Bahaism as heretical. It was founded in Iran a century ago by people who rejected the primacy of Islam, accepting instead the validity of many religious traditions, including Christian, Jewish and Moslem. Iran has an estimated 300,000 Baha'is, although at least 10,000 are believed to have fled since 1979.

20 Die in Blaze in India

NEW DELHI — At least 20 persons were killed and 15 seriously injured when fire destroyed a fireworks factory Tuesday in the western Indian city of Ahmedabad, the Press Trust of India news agency reported.

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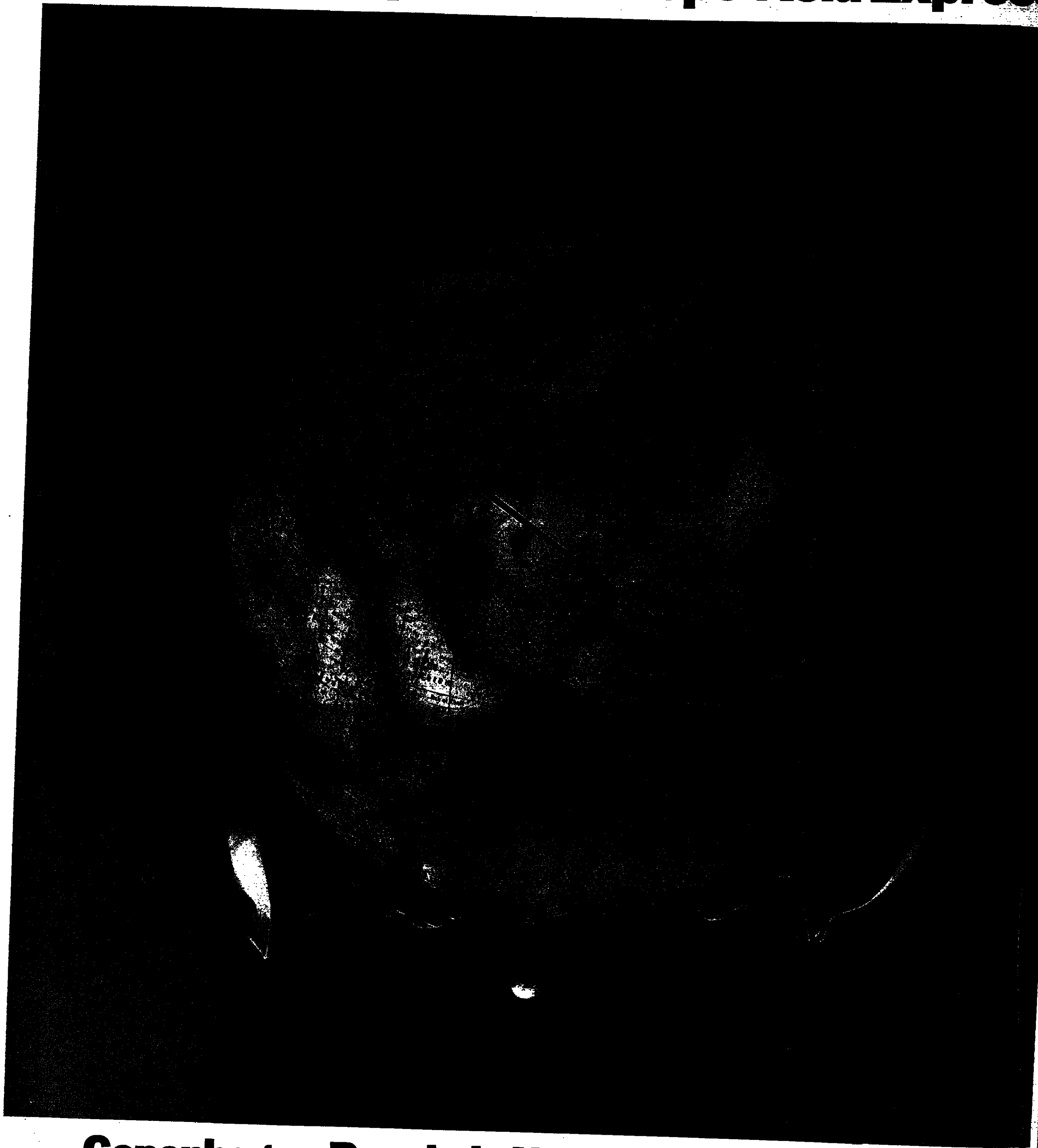
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U.S. T

By Richard

WASHINGTON—The House of Representatives today passed a bill to increase the military support of the United States in the next five years. The bill, which is the first in a series of similar bills, is expected to be passed by the Senate in the next few days. The bill is the first in a series of similar bills, is expected to be passed by the Senate in the next few days. The bill is the first in a series of similar bills, is expected to be passed by the Senate in the next few days.

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INSIGHTS

World Is a Pulpit for John Paul II, Mystic and Moralist Who Rules His Church With Firm, Not Arbitrary, Hand

By Kenneth A. Briggs
New York Times Service

NEW YORK — On a Monday morning not long ago, Pope John Paul II awakened at 5 A.M., as he customarily does, to begin his daily period of private devotions and preparation for his regularly scheduled 7 o'clock Mass in the small but resplendent chapel in the inner reaches of the Vatican.

Following his usual practice, he celebrated the liturgy before invited guests. Among the two dozen people present that day was President Sese Seko Mbofwe of Zaire and his entourage, which included a 25-year-old aide who was not known to be religious but who came away from the Mass with an indelible image. After the pope's final blessing, the young Zairian turned, awestruck, to a senior official in his group and gasped, "I see him coming back into himself."

The young man's astonished utterance referred to a quality of mysticism that many other observers have also ascribed to John Paul II — a total absorption in the spirit that at times seems to transport the pope into another realm of existence. It is one trait of the majestic and complex pope from Poland who assumed the Chair of St. Peter four years ago.

Along with the mystic, John Paul II embodies the poet, the scholar, the actor, the evangelist, the moralist and the diplomat. He is equally at home with intellectuals and peasants, Christians and Buddhists. He talks in public but mostly listens in private. He reveals what he thinks but rarely discloses what he feels. He is somber and serious, and sometimes quixotic, as illustrated by his granting approval for a comic book, "The Life of Pope John Paul II" (just published in the United States by Marvel Comics Group).

Firmness, Not Fiat

Commanding center stage with complete assurance from the very start of his papacy, John Paul II has expounded a program that has raised fervent hopes of restoration among Roman Catholics who see the need for strong leadership. And he has caused deep misgivings among those who believe that his outlook as he strives to protect the purity of a church approaching its third millennium is too severe and restricted. But the evidence suggests that he rules less by fiat than by firmness.

He has taken seriously his role as a world leader with responsibility for the peace and welfare of humankind, calling for justice for the poor and oppressed, an end to nuclear arms and relief for the victims of political torture and oppression. At the same time, he has attempted to use his good offices as a mediator. During the Falkland Islands war, he visited both combatant nations, Britain and Argentina, urging a peaceful settlement.

In his pursuit of peace, John Paul II is willing to involve his office and his person in volatile situations. At the height of the recent conflict in Lebanon, for instance, he reportedly considered going to Beirut in an effort to find a solution to the strife. And more recently he held a highly controversial meeting in the Vatican with Yasser Arafat, the Palestinian Liberation Organization leader, which precipitated blistering criticism from the government of Israel and from Jews the world over.

Reflecting his own image as an apostle of reconciliation, the pope explained his meeting immediately afterward to a crowd in St. Peter's Square by saying that he wanted to help in every effort to bring peace to the Middle East.

Strong Support for Solidarity

In Poland, the pope has certainly been a factor in support of the now-outdated Solidarity trade union. As reported by NBC News, the pope sent a secret envoy (whose name NBC says it knows but is pledged not to reveal) to the Kremlin with a handwritten note in which he threatened "to lay down the crown of St. Peter" and return to his homeland to "stand shoulder to shoulder with his people" should the Soviet Union order an invasion because of Solidarity's activities. The Vatican has since denied that a message was ever sent.

Still, John Paul's attitudes toward his native land should not, say those familiar with his

thought, be taken as typical of a partisan approach to political issues elsewhere.

The pope sees himself primarily as a spiritual figure who transcends racial, regional and ideological boundaries and disputes. He envisions a better world where human dignity is enhanced through the transforming power of faith and by the practical efforts of well-meaning nations.

Within the mandate handed him by the College of Cardinals on Oct. 16, 1978, was an implicit message. The time had come to harness a far-flung organization of 740 million people that the cardinals viewed as teetering on the brink of chaos. They saw the church threatened by theological disagreements, participation in liberation movements, desecration of liturgy and the refusal of more and more Catholics to accept the church's moral teachings on such matters as birth control, divorce and premarital sex.

Those who were most convinced that the church was sliding toward ruin trace the origins of decline to the aftermath of the Second Vatican Council, which began Oct. 11, 1962.

A Schoolmaster's Approach

John Paul II approached his papacy like a new schoolmaster whose job it is to enforce the rules and make the students understand who is boss. Achieving this aim throughout the Catholic world was doubtful from the beginning, but other obstacles have cropped up along the way to threaten the stability of the church, including financial scandals involving the Vatican bank's ties to the now defunct Banco Ambrosiano.

A smiling and robust man of powerful visage, John Paul II has carried out an energetic papacy. In four years, the former Karol Wojtyla has become a familiar face even in the most remote corners of the earth. He has taken 15 trips outside Italy, bringing the papacy to as many as 100 million people on five continents.

The scope of his influence rests considerably on his ability to generate trust and good will. In this he has succeeded superbly. On the most visible level, he has become the foremost Christian leader of the age, a preacher and storyteller, a pastor and missionary.

He grasps the sober reality that the church has lost much ground to Marxist communism, socialism and, particularly in Western nations, the powerful specter of secularism. Drawing on his experience as a Polish prelate in a Communist state, he understands the huge stakes involved in the outcome of these struggles. In response, he has become a crusader with an urgency that suggests that time is running out.

Acute Awareness

Underlying this urgency is his acute awareness of the approaching end of the second Christian millennium. George H. Williams of Harvard's Divinity School, a longtime friend of the pope who has written a searching book, "The Mind of John Paul II," says the pope has "more of an eschatological view than anyone would suspect," and that he "believes something decisive will happen in the world" by the year 2000.

The substance of eschatology is based on biblical teachings that God will inaugurate his kingdom through a series of happenings at the close of an age. Such premonitions by the pope relate to both his mysticism and the business at hand. If he imagines himself as the head of the church in the final days of the world as we know it, then his pressing desire to purify and unify the church before that final judgment has its own logic.

Monsignor John Tracy Ellis, the dean of Catholic historians in the United States, asserts that a widespread "search for God" accounts for "why so many people respond to this man. It doesn't mean they accept everything he says, but he is speaking in a voice that suggests that he has a remedy."

Studying the papacy of John Paul II entails looking at a pontiff of many moods and postures. In certain key respects, his personality seems shaped by the forces that attracted him from his early years to the artistic interests of acting and poetry. The outer man has captured the world spotlight with a grand force of will and a great store of charm.

A Wednesday afternoon audience in St. Pe-

ter's Square illustrates what one Roman prelate calls the pope's "genius at relating to people." For two hours, the pope conducts a papal symphony of many movements. Under previous popes, the weekly reception was a staid, regal occasion, but John Paul has changed it into something quite different. He wags the crowd of 20,000 with greetings, speaks to them in seven languages, sings their religious songs and lingers to touch, kiss and bless as many as time allows. The crowd cheers wildly, some crying, many reaching out to touch him.

Contemplative in Private

Out of public view, however, the pope becomes quite a different person — quiet, reserved and contemplative. He confers with church officials and world dignitaries, usually assuming the role of listener, and spends much time taking his own counsel.

Since the attempt on his life in 1981, when he was shot in the stomach and arms, his frame is more stooped and he has traveled less, but otherwise he maintains a rigorous schedule, amending it only with an afternoon siesta on orders from his doctors.

Sometimes in the early morning, the pope drops by the kitchen to visit the six Polish nuns who prepare his food and to sample the breakfast offerings, usually ham and eggs. John Paul II invites people to have breakfast with him, often on the spur of the moment, a practice that leaves some traditionalists aghast.

In Rome, the bulk of the pope's morning is taken up with church business and private audiences. As he listens, he questions. It is far

He grasps the sober reality that the church has lost much ground to Marxist communism, socialism and, particularly in Western nations, the powerful specter of secularism. Drawing on his experience as a Polish prelate... he understands the huge stakes involved in the outcome of these struggles. In response, he has become a crusader with an urgency that suggests that time is running out.

from clear that the pope actually takes advice, but there is much evidence that he solicits it.

At the midday meal, there are almost always guests, often bishops from abroad. A nap follows lunch, then more business. Sometimes the pope eats dinner with his personal secretaries, almost all of whom are Polish priests, but frequently he dines alone, scanning written news summaries and keeping an eye on the television news programs. He then works into the night on matters of church concern.

Prediction of Bloodshed

Several years ago, the late Padre Pio, a priest in southern Italy who bore the marks of the stigmata, told Karol Wojtyla that he would be elected pope but that his reign would be short, ending in bloodshed. It nearly did on May 13, 1981, when Mehmet Ali Agca shot him in St. Peter's Square. Those near him say he believes he was spared to perform a special mission as head of the church.

The pope has a theology to be sure, but is not a theologian as measured by scholarly standards. By training, he is a specialist in philosophy, which, in the Catholic tradition, has been used principally to provide a sound, rational argument for the Christian faith. More specifically, his interest is in the application of theological principles to the social and ethical problems of the modern age.

He articulates a theology that sees the birth, death and resurrection of Jesus Christ as the central event of all human history. In this view, Christ has brought salvation to every life, calling each human being to fullness.

Emphasis on the dignity of the individual has contributed to the pope's identity as a "personalist" philosopher. Rather than beginning from a set of abstract principles, John

Paul II perceives the highest spiritual drama — the coming of Christ — as having direct, redemptive consequences for each man, woman and child, Christian and non-Christian alike.

Sees Himself as Peacemaker

For the pope, the church's central mission is spiritual. He sees the highest purpose of the magisterium (the teaching authority of the church shared by the pope and the hierarchy) as equipping the laity for secular responsibilities, including political and social activism, while steering clear of direct partisan politics. His is an exalted view of the priesthood and a hopeful attitude toward the human condition.

He would like to be remembered most as a pope who steered the church back on course, albeit a course not everybody wants, and as a peacemaker who spared no effort to reduce suffering and increase justice in the world.

How has he fared so far in accomplishing his purposes? The answer depends mainly on which aspects of his papacy are scrutinized and by whom. Predictably, the reviews are mixed and, to a considerable extent, still outstanding. Many of his goals are abstract or still being formed.

But limitations aside, there are unmistakable questions surrounding the kind of leader John Paul has shown himself to be. While he has appeared firm and strong in stating his program and prefers to make all major decisions himself, he has not convinced many church leaders that he has evolved a clear pattern for running the church. Conservatives complain

that he has refused to clamp down hard enough on church liberals and dissidents. Liberals charge that he has reassessed the authority of the papacy too firmly against progressive views.

Gradually a consensus is building that he is more prophet than ruler, a much greater preacher than administrator, a good mystic but poor pragmatist.

"There has been a subtle redefinition of the pope and the teaching of the magisterium," says Albert C. Outler, emeritus professor at the Perkins School of Theology of Southern Methodist University in Dallas, who has specialized in studies of the modern papacy. "It is no longer a question of whether or not the pope is in charge. Actually, I see John Paul II as having accepted this role of doing what he can but not supposing he can do everything he sees as right and fitting."

No Harsh Steps Taken

As evidence for his thesis, Mr. Outler notes that although John Paul has spoken against certain theological and liturgical ideas and practices, he has been loath to severely discipline dissidents. In the most dramatic case, involving the Reverend Hans Kung, whose findings challenge the doctrine of infallibility, the action taken against him — withdrawal of his right to teach as a "Catholic theologian" — stopped short of anything as final as defrocking and left him free to teach theology in a state university.

In other words, according to Mr. Outler and others, the pope takes a hard line with the understanding that he will have neither the last word nor will win, but will only speak an authoritative word in the dialectic exchange within the church. But many others are not so sanguine. The Reverend Edward Schillebeeckx of

the Netherlands, one of Europe's foremost theologians and a harsh critic of John Paul, sees the pontiff purely and simply as trying to force conformity by exerting his authority from the top rather than by listening to the theological currents from below.

In any event, the pope is interpreting the official provisions of Vatican II in such a way as to suggest that the windows of *aggiornamento* that John XXIII had opened church is now closed.

As a preacher to the world, he has given the church a new face and a forceful posture and, to that extent, his program is off and running. But it has been more of a problem translating broadly defined Christianity into the ethics and practical policies of Catholic Christianity.

Vatican II introduced the idea of the church as the "people of God." It saw Catholicism embracing the concept of "shared authority," belonging to everyone, not just the hierarchy. John Paul II had helped forge Vatican II's documents, but he has made little effort to carry out some of the implications of collegial rule. He has demanded unity of thought and practice that seems beyond his power to bring about or to enforce. On every front where serious disputes shake the foundations of the church, the Vatican's efforts to put an end to pluralism have met formidable opposition.

Defiance Among Women

One of the signs of defiance is a movement among women, mostly nuns, to hold liturgical services that strongly parallel the Mass. Most of the women deny they are violating church law, but the delicacy of the matter presents precisely the kind of dilemma that the pope would find difficult to contain.

Problems have also emerged around the pope in his capacity as moral instructor. Mr. Williams of the Harvard Divinity School believes that John Paul, as a moral idealist, has imposed an esthetic ideal on priests, nuns and laity alike, expecting them to become, as Catholics most distinguished from the world and more rigorous.

As for the Jesuits, the largest and most elite order in the Catholic Church, the fears of significant papal meddling have so far been unfounded. A year ago, when John Paul appointed the Reverend Paolo Dezza as temporary head of the order to replace the ailing superior general, the Reverend Pedro Arrupe, some reports described the move as the first step in taking the order to task for allegedly entering too much into the realm of nonindustrialized regions, notably in Latin America.

At the same time, the pope postponed the scheduling of a general congregation to elect a new superior, further heightening anxieties. Instead, a select number of Jesuit leaders were summoned to discuss the crisis. That meeting apparently satisfied the pope's qualms, and he announced that they could go ahead with their election.

Sign of New Flexibility

Liberals took the pope's decision as a small sign that he was gaining flexibility. They argued that he backed off after discovering that he had been badly informed by prelates who carried a grudge against the order. Another hint of change, they maintain, took place during the pope's trip to Britain, when he voiced compassion for those caught in "painful marriages" while not actually softening his strong backing for the church's ban on divorce.

Meanwhile, many other Christian churches await some signal of the pope's intention to advance the ecumenical cause. Under John Paul's papacy, relations between Rome and Eastern Orthodoxy have warmed somewhat, but Western churches have generally been disappointed. The pope's grandest ecumenical gesture so far has been his appearance, side by side, with the archbishop of Canterbury in Canterbury Cathedral.

But just before the trip he approved a report of the Sacred Congregation for the Doctrine of the Faith that in effect rejected much of the theological accords on baptism, ministry and eucharist that representatives from the Anglican and Catholic churches had worked 12 years to achieve.

On his first journey abroad, to Mexico, John Paul sparked a continuing debate by insisting



Pope John Paul II

that priests stay out of politics, while demanding economic justice for the peasants. The apparent contradiction has lingered, but the pope's own distinctions seem clear: Those who are ordained must first attend to the pastoral, sacramental and teaching functions, while the laity properly seeks ways to bring the Gospel's teachings to bear on the social and political order. John Paul has himself pressed the claims of Christianity outward. He has taken the broad religious, social and political appeals of recent popes, especially the themes of peace and justice that John XXIII and Paul VI profoundly underscored in their encyclicals, into the ideological struggle for the allegiance of human hearts and minds.

On a broad theoretical level, John Paul has been effective as a spokesman for human justice and dignity. As a spokesman for the poor and oppressed, he is emphasizing the responsibility of Catholics for building more just and equitable societies.

The groundwork was established in his second encyclical, "Dives in Misericordia" ("Mercy of God"), in which he stressed that without God's love, the pursuit of justice can become empty, strident and arbitrary.

Dignified Standards

The pope's third encyclical, "Laborem Exercens" ("On Human Work"), issued at the time of the first wave of Solidarity strikes in Poland, was addressed most specifically to a social issue. John Paul links the dignity of human beings with their ability to do meaningful work under just conditions — they have a right to organize into unions to strive for dignified labor standards and to strive for the general welfare of working people.

He argues, too, against unions becoming involved with politics. In Poland, that would seem to make common sense inasmuch as Solidarity would shun involvement with the Communist Party. But it speaks less clearly to labor movements in other countries, such as Britain, which have long been intertwined with partisan politics.

When it comes to retaining a wall between spiritual and political roles, Poland is obviously a special case for the pope. His support of Solidarity, no matter how it is intended, is clearly political in impact, a source of pressure on the Communist regime. He is a factor in the outcome of that tense situation and he has not backed away from using the prestige and symbolic power of his office.

Elsewhere, he has injected himself as a mediator and advocate for the poor, indirectly entering the political fray. At the United Nations and in speeches in many other settings, he criticized both capitalism's penchant for greed and socialism's favoring of state ownership of the means of production. In New York, he urged the rich to share their abundance with the poor; in Brazil, he spoke out in favor of property rights for the peasantry; in the Philippines, he demanded human rights in the presence of his host, President Ferdinand E. Marcos.

On the high road of faith, justice, peace and human dignity, the pope has made deep impressions and increased a climate of awareness. No one can say how much impact he has had, but he has unquestionably made his presence felt.

In the short time since he became pope, John Paul II has gained a great hearing. He has embraced an ambitious program and the eventual verdict is far from clear. As one priest in Rome summed up his impact on the church and the wider world: "He has captured their hearts, but not their heads."

U.S. Turning Its Attention to the New Theater of Military Operations: Space

By Richard Halloran
New York Times Service

WASHINGTON — After a quarter-century of mostly peaceful exploration of space, the United States has begun a vast expansion of its military operations there.

In the next five years the Reagan administration plans to increase spending on military operations in space even faster than the rest of the military budget.

Better satellites are planned for highly sophisticated communications, intelligence gathering, navigation, weather forecasting and mapping. The space shuttle, having carried its first military payload, will replace rockets as the primary vehicle for lofting military cargoes into orbit.

The administration has undertaken elaborate new measures to defend satellites and has ordered a ground-based anti-satellite system to be ready by 1987. It has also stimulated research to develop a new generation of advanced weapons such as lasers. But officials say they do not plan to station weapons in orbit.

To put this into a framework, President Ronald Reagan has enunciated a new space policy with emphasis on military operations, and the air force has organized a new Space Command.

The purpose of the surge into military space operations is to enable American forces to fight more effectively in a prolonged conventional or nuclear war around the world against the Soviet Union, according to a variety of administration officials. Those officials also argue that the United States cannot surrender the high ground of space to the Soviet Union, most of whose space effort, they say, is for military purposes.

The immediate objective is to provide communications and intelligence that are faster, more reliable and more secure than current systems to enable outnumbered or outgunned U.S. forces to move faster and strike harder at vulnerable points. Military commanders call this generating "force multipliers."

The undersecretary of the air force, Edward C. Aldridge, said: "There is the need to find how we can better utilize our existing forces. One thing is information, navigation, weather, communications, all those things that contribute to a better allocation of forces."

Mr. Aldridge, a key official in the military space program, asserted, "There is clearly a need to provide better support to military commanders in time of crisis and in wartime."

"That translates to a need to maintain spacecraft that operate in a hostile environment," he said, referring to places where the craft might come under attack.

Today, Defense Department officials say, American military forces rely on more than 40 satellites for long-range communication, a variety of intelligence gathering, navigation, weather forecasts and mapping.

According to General James V. Hartinger, commander of the air force's Space Command in Colorado Springs, "over 70 percent of our long-haul communications are handled by satellites."

Instant Communications

Space communication, moreover, has opened new operational possibilities. Radio transmission by satellite from Desert One, the assembly point for the attempt to rescue American hostages in Tehran in 1980, provided instantaneous communication between the field commander in Iran, the mission commander in Egypt and Washington.

Dispatching the Rapid Deployment Force to the Gulf would depend on satellite communication, which has played a part in exercises called Bright Star in which American forces went to train in Egyptian deserts.

The main Defense Satellite Communications System has four satellites weighing more than 1,000 pounds (450 kilograms) each and two backups in orbit. That system connects 27 military command centers and carries voice and teletype messages, images and computerized data. Portable ground stations can be linked to it.

A new system of 12 satellites is nearly ready for stationary orbit 23,000 miles (37,000 kilometers) up. Those satellites, which will have six instead of four channels, have been designed to last 10 years each.

The navy has a satellite communication system of five 4,000-pound satellites with 23 channels and a lifespan of five years. Ten channels are allocated to the navy, 12 to the air force, and one for the president or the defense secretary.

The United States has also become dependent on satellites for vital intelligence. Thirty seconds after a Soviet intercontinental ballistic missile lifts off of a silo, American satellites sight it. Three satellites 20 feet (six meters) in diameter and weighing a ton apiece in stationary orbit watch the entire world with their infrared sensors to pick out telltale heat trails.

As the rocket breaks through the cloud cover, the satellites' sensors pick it up and begin

transmitting information on its speed and course to computers and display terminals in a command center buried under Cheyenne Mountain, Colorado. When the missiles rise above the horizon, they are tracked by radar in England, Greenland and Alaska, with reports also flashed by satellite communication.

In addition, two satellites known as Vela are 60,000 miles out in space to detect nuclear detonations through the use of heat sensors. In peacetime they watch for explosions above the surface that might violate international agreements. In wartime they would tell U.S. commanders where nuclear warheads had struck, information needed to conduct a protracted conflict.

These operations, according to Mr. Aldridge, will be enlarged as the administration plans to increase spending for military uses of space by more than 10 percent a year after making up for the effects of inflation. Growth in that area would be faster than the 7-percent annual increases in the overall military budget.

A vital element will be the space shuttle. "The space shuttle will change the way we do business," said General Robert T. Marsh, commander of the Air Force Systems Command. "We will depend upon it for launching virtually all of our national security payloads."

Robert S. Cooper, director of the Defense Advanced Research Projects Agency, said the Defense Department planned to spend \$10.9 billion "for shuttle-related developments, operations and transition costs to accommodate 20 defense shuttle launches" through 1987.

The first shuttle with a purely military cargo, the nature of which officials would not discuss, is scheduled for next fall. After that, 113 of the 311 flights planned through 1994 will carry military payloads, Mr. Cooper said.

Moreover, weapons capable of destroying Soviet satellites are being developed. The administration plans to spend \$20 billion more on communications, mostly in space, to strengthen control of nuclear forces.

Presidential Directive

Minutes after the shuttle Columbia touched down on July 4, Mr. Reagan issued a space policy directive, the first point on the list was "the security of the United States." While reaffirming a commitment to peaceful uses of space, the directive said, "the United States will pursue activities in space in support of its right to self-defense."

The five-year strategic plan known as Defense Guidance elaborates on this, saying, "The United States space program will con-

tribute to the deterrence of an attack on the United States or, if deterrence fails, to the prosecution of war by developing, deploying, operating and supporting space systems."

Mr. Brown, considered by members of Congress, military officials and military contractors to be the best-qualified technician to have been defense secretary, said: "By and large, the United States is ahead of the U.S.S.R. in these military support uses for space. In general, the Soviets, by virtue of their geographically central position, have less need to rely on space-based systems."

Mr. Brown noted exceptions, saying the Russians were ahead in satellites that tracked warships. The Soviet Union has put up four such satellites this year alone, according to Defense Daily, an industry newsletter.

The Center for Defense Information, a Washington research organization that says it supports a strong military but opposes excessive expenditures, also deplores what it considers to be an arms race in space. The center maintains that the United States has a better space program "because the United States is able to design and build more sophisticated and capable devices than the Soviet Union."

Inferior Posture?

Administration officials, however, contend that the United States may have fallen behind. Mr. Aldridge says that if the United States fails to pursue a rigorous space program, "we face the chilling prospect of confronting an unforgiving adversary who deploys space warfare systems while we try to react from a markedly inferior defense posture."

To buttress that view, senior military officers cite the Soviet Union's man-hours in sustained orbit leading to a space station, its development of an orbital bombardment system and its deployment of a rudimentary anti-satellite system. The number of Soviet launches and the work being done on a space shuttle are also cited.

Last year the Soviet Union made 98 launches as against 16 for the United States. But other officers contend that some American satellites operate for 10 years while some Russian satellites, with older electronics, burn out in six months.

The Russians, who were first into space with the famous Sputnik globe 25 years ago, have done considerable work on lasers, which are intense beams of light, and beams of atomic particles. But there is disagreement on how far along they are.

Comparing costs of U.S. military efforts in space with those of the Soviet Union is diffi-

cult. Soviet forces operate mostly in the Soviet Union or, in the case of naval forces, relatively close to Soviet borders. Thus, they can rely on shorter, internal lines of communication.

In contrast, American forces are dispersed around the world at the end of long and complicated lines of communication. In addition, the national economies and systems of cost accounting are very different.

General Hartinger of the Space Command says that in the current year, "they are outspending us by about \$3 billion in total space budget," which would amount to total spending of \$18 billion. Congressional officials say the Central Intelligence Agency estimates that Soviet space spending is about \$20 billion.

A New Dimension

According to the Defense Guidance document, space operations "add a new dimension to our military capabilities." It asserts that the United States must be able to defend space operations and "to deny the enemy the use of his space systems that are harmful to our efforts during conflict."

"We must insure that treaties and agreements do not foreclose opportunities to develop these capabilities," the document says. "In particular, it must be recognized that agreements can not protect our defense interests in space during periods of hostilities."

The guidance document goes on to order "the prototype development of space-based weapons systems so that we will be prepared to deploy fully developed and operationally ready systems should their use prove to be in our national interest."

The directive gives priority to protecting satellites that are war aims of Soviet missiles to pursuing an anti-satellite system and to accelerating technical developments that lead to military advantage.

Another priority is to enable satellites to survive attack.

The big new satellite-defense communications network that is to be put into initial operation in 1987 and full operation in 1990 will be a seven-satellite constellation known as Milsat. Four satellites will be in stationary orbit while three circle in polar orbit. Those satellites and a spare in orbit will have electronic sensors to detect anti-satellite weapons and will be able to escape an attack.

Mr. Aldridge said that satellites used to be designed to operate in a "benign environment." Now, he said, "we have recognized that our systems must be able to operate in a hostile, wartime situation."

ARTS / LEISURE

Gems Add Glitter To Valentino Show

By Hebe Dorsey

PARIS — For Valentino, diamonds are still a girl's best friend. In a glittering collection, he had diamond stripes on poor fishermen's sweaters, diamond flowers, diamond belts, diamond buttons and silky diamond anklets.

PARIS FASHIONS

straps around diamond-encrusted evening pumps. His version of the nautical look, a theme rampant in the Paris collections, was not about sailors and seamen, but strictly about yachts. Big yachts.

Yes, elegant and carriage-cadent as it was, this collection was more clean-cut than usual. Valentino, who has been known to indulge in unnecessary fluff, worked closer to the general sil-

houette and concentrated more on cut and less on trimmings.

As always, there was a seriousness and a professionalism about this collection that has endeared Valentino to the difficult Paris pros — for, although he shows in Paris, the international Valentino is based in Rome and does not belong to the French Chambre Syndicale. In the middle of the French socialites in the front row was a starchy-eyed teen-ager. She was Christina Galbraith, daughter of the U.S. ambassador to Paris and it was her first fashion show.

Later in the day, Valentino also emerged as one of Paris's social lions. He was fêted at a party at Countess Brandolini's, which included such social biggies as the hostess's father, Prince de Falciguy-Lucinge, plus a potpourri of international money — Stavros Niarchos, Hélène Rochas, Christina Onassis, Florence Grinda and Fred Chandon, among others.

Valentino's strongest virtue is that he loves women and is not ashamed to say so. He also knows that his clothes do not come cheap. "When a woman spends that kind of money," he said, "she wants to stand out in a room." That is why he thinks things out. Those perfectly coordinated dress-with-jacket ensembles, for instance, were his way of giving women their money's worth. As a buyer remarked, at those prices, to hell with sportswear. Women don't want separates, they want a total look.

Unlike most Paris designers, who this season have hiked up their skirts to shorter than short, Valentino did a ladylike look, with skirts hitting almost at mid-ankle. But made of the finest silks, pleated and slit down the side, they never looked heavy. Others, cut shorter and opened down the front in a circular line were a follow-up on his couture collection shown



Valentino's black-and-white gowns. Note diamond anklets.

last July, and they too showed more than enough leg.

The collection's key garment was a short fencer's jacket, usually made of linen, which Valentino put over pants or skirts. But although that short jacket ran through the whole collection, Valentino showed different proportions, including a beautiful, seven-eighth coat with a low blousing back. The chemise, another familiar theme this week, was there too, but made of bi-color linen and outlined with scalloped hem. Valentino also recycled his

peplum of seasons past and jazzed it up with solid fringes that swung around the models' hips, giving it a great disco look. Although he used lots of gold-tinted colors — such as marigold and zinnia — Valentino's biggest success was with black and white, all the more forceful because of those crisp, impeccable lines.

The evening was solid, unabashed glamour, with sequins by the miles, and in the finale a couple of black and white twins with enormous sequin dots encrusted on the skirts.

Alan Silva's Celestial Communications

By Michael Zwernin

PARIS — Alan Silva wanted something to do during the day so he started a school. "A musician's daytime life can be quite boring," he laughs. "I like to keep busy."

Bassist, pedagogue, orchestra leader and composer, Silva is an emphatic finger-pointer, and there are many points to make. His eyes seem in constant crescendo. He is taut. When on edge or thinking hard, he has a tendency to use more complex syntax than clarity requires. The name of his school for example: Institute For Artistic and Cultural Perception (IACP), and the Celestial Communication Orchestra that represents it in public.

"Perception" and "Celestial" sound like reruns of Sun Ra, but Silva spent some years with that musician of the Omniverse and his 25-piece Solar Space Intergalactic Myth-Science Orchestra, and so comes by the tradition organically. He takes tradition seriously: "We professionals owe it to the music to pass down our knowledge to the next generation," he says, adding his habitual punctuation: "See what I mean?"

His punctuation would not be important enough to mention if it did not swing so hard. One reason jazz is still basically so American is that it comes out of street rap patterns that non-Americans find it hard to imitate or even understand. Silva speaks Spoken Jazz.

He was born in Bermuda 43 years ago and grew up in New York, studying trumpet with Donald Byrd, switched to bass and came to Europe in 1966 with the pianist Cecil Taylor, who was one of the first to bring jazz through the show-time barrier. Silva makes an occasional tour with Taylor, of whom he says: "I like his rehearsal schedule. He rehearses all day long."

Much to Silva's surprise, he found people in Stuttgart and

Stockholm who were familiar with his work and, after a stretch with the trailblazing Jazz Composers Orchestra (with Carla Bley and Roswell Rudd, among others) in New York, greater acceptance lured him back to Europe. He settled in Paris in 1972. The intention was to stay a season but each season led to the next and by now he considers himself "on permanent loan" to Paris.

He opened the IACP seven years ago in a series of damp, claustrophobic caves in Les Halles. France was in no hurry to accept the Silva "loan" on any official level and although the school was staffed almost entirely by French teachers, subsidies and accreditation came slowly. Despite their reputation as jazz-lovers, the French do not take kindly to American carpetbaggers. This fall, however, when school opened, there were 350 students and more than 20 teachers in attractive new quarters on Rue Oberkampf.

It took IACP's young, gung-ho, mostly-French team to keep the school alive and when a Culture Ministry subsidy did come it was partly by burying Silva's name in the syllabus. As he describes it: "We have a twofold program. Development of musical ability and general personality. Improvised music is personal expression and the first thing a debutant musician has to do is find his own sound. In classical music you learn how to make the same sound as everybody else. Learning to improvise can help people learn about themselves. We try and strike a balance. We work with collective improvisation in a way that is not too structured, but still has a frame-



Alan Silva: The daytime life.

work to do it, so that the player can be creative and yet fit in with what's going on."

Silva is explosive. Long-time teachers have left or been fired in a huff. He creates his music in extended rehearsals, which some professionals find boring and maybe explosive. And they sometimes leave in sadness more than anger. However a faithful core of student-teachers, who might more accurately be described as disciples, has helped build the Celestial Communication Orchestra into one of the more original contemporary jazz ensembles. It can be categorized with Gil Evans.

George Russell and, of course, Sun Ra.

There is a form, a mode, a mood perhaps, but without these loose boundaries just about anything can happen. Once it happens, Silva will rarely permit it to happen again. The orchestra regularly receives last-minute instructions to play themes backwards, upside down or twice as slow or he'll just shout "Chord!" This can lead to confusion and music a bit funkier than intended. But it is rarely boring.

The city of Paris, which has been generous with subsidies for jazz, passed up the IACP in favor of all-French and more politically acceptable organizations such as the Musical Solid big band. This led IACP directors to write an angry letter to the city's cultural center — which did not help. To protest being ignored by the largely city-supported Paris Jazz Festival (Oct. 24-31), IACP is promoting concerts on Oct. 28 by Texture and Oct. 29 and 30 by Celestial Communication Orchestra at the Petit Forum Theatre.

But Silva has already set his sights far beyond Paris.

"We're planning a workshop in Bali. We've been negotiating with the Club Med for the use of one of their villages there to experiment with combining Javanese music with jazz. We also hope to have one in Brazil, where a friend runs a large cultural center near Rio. There is also a Caribbean music-jazz fusion workshop in the planning stage. Jazz can be a good vehicle for cultural exchange. We've got to keep looking for new territory to explore."

Auschwitz Play Featured in Dublin

By Thomas Quinn Curtiss

DUBLIN — Dublin's theater festival enjoyed its most prosperous season in its 23-year history, according to its founder-director, Brendan Smith, and several of the new native productions seen during the two-week festival are in for long runs.

At the famed Abbey, "Kolbe" by Desmond Forristal, a Dublin playwright, is packing the house. This is a dramatization of the last three months in the life of Maksymilian Kolbe, a Polish Franciscan who died at Auschwitz in 1941 after he volunteered to take the place of a condemned prisoner. He was canonized by Pope John Paul II earlier this month. Forristal has also published a biography of the martyr.

"Kolbe" is Forristal's fifth produced play. His others were smaller in scale, fitting the intimate Gate Theater. Given more space, he has tried to extend his scope, straining to incorporate the material of three plays in one.

He attempts to capture the misery of the camp. He conducts an inquiry into the distorted mentality of the Nazis, bringing on Himmler to air his insane theories and picturing the rivalry between the camp commander and his even more vicious aide, contrasting their cozy households with the inhumanity they administer. Thus the portrait of Kolbe becomes secondary. A more seasoned dramatist would have scored the hero's qualities with bold theatricality.

Roy McAnally makes excellent use of the huge, two-story platform, and there is a subdued but touching characterization of Kolbe by Clive Geraghty, while Desmond Cave as the Auschwitz commandant and Tom Hickey as the fatuous Himmler have the larger share of the dialogue.

Hugh Leonard, Ireland's most prolific and successful dramatist, has been staged in New York, London and on the Continent. His new play, "Kill," at the Olympia, was anxiously awaited as the season's main event. Rumors ran that it would be a scathing satire on the present political state of the land, but if so, he has handicapped himself by having his say in the same terms as "No Sex, Please, We're British."

The action revolves about a dinner party given by a scheming vil-

lionaire at his residence in a former country chapel to which guests of important position are bidden. The menu, as the program informs, includes boiled mutton, blackmail, intimidation, bribery and crimes of the flesh. A competent company enters into the script with enormous vigor, especially Niall Toibin as the corrupt, talkative host, but the intended allegory is overcast by sophomoric off-color humor, and the heavy gagging creates an odd effect, suggesting members of a burlesque show elevated to high office.

James Stephens' charming fantasy about a Dublin charwoman's daughter whose innocence brings happiness has been transformed into a beguiling musical, "Mary Makebelieve," by Fergus Linehan, who takes the role of the indomitable char with Brid Ni Neachtain as her child of whimsical imagination. At the Peacock it has been staged against the nostalgic background of the Irish capital in 1910 and Stephens' ingenious invention has been perfectly preserved.

At the Gate, Patrick Laffan has produced "Sex Private," a first play by Mary Halpin, winner of The Irish Times's prize for the best new play by a woman. Set in a

gynecological ward of a Dublin hospital, it contrasts its four protagonists — a nun, a feminist, a parvenue housewife and an outspoken shop girl. Though deficient in polished stage technique, the play reveals a bright, fresh talent, its feminine quartet — Isobel Mahon, Liz Davis, Britta Smith and Daphne Carroll — enacted it to appreciative response and often loud laughter, and there is an amusing bit by Kevin McHugh as the prissy chaplain.

Among the festival's guests have been the Cork Theater in Christopher Durang's American double-bill of "Sister Mary Ignacia Explains It All for You," depicting ironically the class reunion of the pupils of a nun who has tutored them in the discarded dogma of the church, and "The Actor's Nightmare," a surrealist piece in which a tired businessman dreams he is on the stage and can't remember what the play is; the Wrocław Contemporary Theater in a slice of Joyce's "Finnegans Wake"; the Negro Ensemble Company in Sammam-Williams' "Home"; the Belgian and Dutch Theater in Hugo Claus's "Pas de Deux," and the Druid Company of Galway in Synge's "Playboy of the Western World."

London: 'Destry' Rides Again

By Sheridan Morley

LONDON — To London from the Broadway of 20 years ago has at last come Ford's "Destry Rides Again" (Wendover) the musical of the old Western movie of 1939. Though I'm still inclined to miss both Marlene and her "Boys in the Backroom," there's no doubt that Rob Walker's production is a masterpiece of compressed energy. Rome remains shamefully unknown in this country as a major Broadway composer, and a versatile cast headed by Alfred Molina and Jill Gascoigne, both cast against type, do him some long-overdue credit.

What Walker has achieved in "Destry Rides Again" as also in his recent and long-running revival here of "Pal Joey," is proof that the small-scale musical may well be able to survive and indeed thrive at a time when the big-orchestra shows are inevitably getting fewer and further between. By forgetting about Andy Griffith and Dolores Gray and the lavish David Merrick Broadway extravaganza of 20 years ago, one which did not come to London then precisely because its cost and scale seemed somehow daunting to English eyes, Walker has rediscovered "Destry" as a show that a dozen actors plus a musical trio can bring to an altogether new kind of life.

It was intelligent of him to have the good sheriff dressed in black and most of the baddies in shining white, and still more intelligent to cast as Destry an actor who seems naturally equipped to play the villain. From that moment on we are no longer quite certain where we are, no longer able to settle back into the old Western clichés. Thus the show challenges the myths of the Old West right up to the last, where at the final blood-bath those left alive have the grace to look deeply shocked rather than triumphant. The result is an exciting and often very angry musical given a chamber production of splendid strength and originality.

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Style (Johannesburg) October 1981



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BUSINESS / FINANCE

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BUSINESS BRIEFS

Deutsche Bank to Raise New Capital

FRANKFURT — Deutsche Bank said Tuesday that it plans to raise 496 million Deutsche marks (\$197.2 million) in new capital through a one-for-10 rights issue at 200 DM a share.

Nominal capital would increase by 124 million DM to 1.36 billion DM, and the new shares would qualify for a full dividend on 1982 results. Deutsche Bank, West Germany's largest commercial bank, said the rights issue will be conducted early next month, and will increase its equity base to 5.37 billion DM.

BA Reports a \$544.8-Million Loss

LONDON — British Airways had an after-tax loss and extraordinary charges of \$544.8 million (\$926.1 million) in the year ended March 31, well above its loss of \$145.1 million in the previous 12-month period.

The airline made a \$13-million operating profit, but had one-time costs that included payoffs of \$199 million to thousands of laid-off workers and a \$208 million write-down on the value of aircraft and buildings. Turnover was \$2.24 billion, up from \$2.06 billion.

The British government has said it plans to sell the state-owned airline to private investors before the next general election, which is generally expected to take place sometime next year.

Hospital Corp. to Sell 18 Properties

NASHVILLE, Tennessee — Hospital Corp. of America has agreed in principle to sell 18 hospital properties to Republic Health Corp. of Dallas in a \$200-million transaction, it said Tuesday. The sale, to be completed by year's end, will involve at least \$121 million in cash and the assumption of some debt on the properties.

Hospital Corp. said it will receive notes and Republic Health stock representing about 19 percent of the company's outstanding shares. It said that despite the divestiture it is investing more than \$600 million this year on acquisitions and expansion projects, and plans to spend \$700 million on such projects in 1983.

Final DeLorean Closing Is Announced

BELFAST — The British government has announced the final closing of the DeLorean sports car plant in Belfast. James Prior, Britain's Northern Ireland secretary, said Tuesday that receivers had no alternative to closing the operation, which was set up with \$280 million in government aid.

A British consortium was unable to meet Mr. Prior's deadline for coming up with rescue funds. Nearly all of DeLorean's workers were laid off when the company went into voluntary receivership in February.

Imperial Chemical Shifts Board Role

LONDON — Imperial Chemical Industries said Tuesday that it is redefining the role of its board and moving its headquarters to a new site within London.

ICI said the board will now concentrate on the overall direction of strategic planning and will no longer be involved in day-to-day operations. It will keep its headquarters in London but at a new site yet to be decided, it said, adding that it is disposing of its present headquarters at Millbank. The company also reported that job losses will be involved in the move to the new, less expensive headquarters. It gave no details.

Triumph Adler Expects to Cut Losses

NUREMBERG — Triumph Adler, 98.4-percent owned by Volkswagen, expects to reduce group losses to around 150 million Deutsche marks (\$59.7 million) in 1982, a company spokesman said Tuesday.

Triumph Adler losses totaled 447 million DM in 1981, the spokesman said, although offsetting by Volkswagen reduced the group's balance sheet loss to 197 million DM.

The spokesman said Triumph Adler group turnover is expected to rise to more than 2 billion DM marks this year from 1.95 billion in 1981.

Texas Pacific Seeks Thai Meeting

BANGKOK — Texas Pacific Oil, a Seagram subsidiary, has asked that its president be allowed to see Prime Minister Prem Tinsulanonda of Thailand to discuss a dispute over a Thai natural gas project, a company spokesman said here Tuesday.

The dispute, over Texas Pacific's rights in a gas concession in the Gulf of Thailand, arose last June when the government set up a pilot company to handle the \$3.5-billion gas project and limited Texas Pacific's holding to 40 percent of the new firm's 100-million-bahat (\$4.4-million) capital. Texas Pacific demanded a controlling interest in the venture.

Compiled by Our Staff From Dispatches

U.S. Aims
Are Seen
At GATT

The Associated Press

GENEVA — Draft documents for a major ministerial meeting next month of the General Agreement on Tariffs and Trade have revealed what sources here said were efforts by the United States to force changes in Western Europe's agricultural and steel policies.

A clause in the drafts, being prepared for a two-day conference of trade ministers to begin Nov. 24, calls on GATT signatories to "implement immediately" a freeze on new governmental assistance to exporters that would give them an unfair advantage over companies in other countries.

"This is definitely a U.S. paragraph," said a trade official who asked not to be named. He said the paragraph has "obvious implications" on the agriculture and steel disputes between the United States and the European Community.

He emphasized the preliminary nature of the confidential documents, indicating that because of EC opposition, "this whole paragraph is liable to undergo a good deal of work."

Washington has long been concerned about EC export subsidies for agricultural products, which it maintains gives the community's 10 nations an unfair edge in world competition.

The steel quarrel arose early this year over U.S. allegations that European governments improperly subsidized steel makers, allowing them to compete unfairly for a share of the U.S. market.

Another draft clause ascribed to the United States calls for immediate implementation of a "progressive and substantial reduction in the level of export subsidies over a period of five years."

The regulation of services — including banking, insurance, tourism, consulting and shipping — remains one of the more contentious issues in the proposed ministerial document.

Washington, supported by most Western nations, wants services to be governed by the same liberal trade concept applied to other GATT-supervised transactions, because they represent the fastest-growing section in U.S. exports.

But most developing nations — Brazil and India have been most vocal on the matter — are opposed to such plans, a senior Western trade official said.

The draft notes that "a very large number of delegations" oppose any involvement by the agency in the service sector.

The five general topics set for discussion at the GATT conference are services, protectionist measures, agriculture, North-South trade and improvements in GATT procedures for settling disputes.



A new Mercedes 190 compact drives alongside one of its bigger brothers of the 200D-280E class.

Mercedes Puts Its Name on the Line
With Small Car Aimed at Big Sales

By John Tagliabue

BONN — Daimler-Benz, the West German automaker that built its reputation on its Mercedes-Benz limousines, is preparing to introduce its first compact car.

The car, to be released in Europe later this year and in the United States in late 1983, will be known as the model 190 or 190E. It is part of a far-reaching strategy at Daimler to offer the company's elite automobiles to a wider range of customers.

The decision to produce the compact was a difficult one for Daimler and was preceded by years of intense internal discussion. As a rule, the company has rejected the sort of diversification undertaken by Volkswagen or Opel. Customers were expected to wait longer for the limited-production Mercedes than for other comparable cars.

But now, with the advent of the 190 models, the

company is expected to begin an effort to increase sharply its overall production — from 440,778 units in 1981 to 550,000 or so by 1985 or 1986.

The centerpiece of that effort is a big new plant in Bremen, in northern Germany. That plant, together with an older plant in Sindelfingen, in the south, is expected eventually to turn out about 240,000 of the compact a year, but there will be some offsetting reductions in the production of other models.

Though Daimler officials will not talk publicly about the 190 before its introduction in December, they say privately that the model will have a two-liter, four-cylinder motor, with or without fuel injection. In 1984, a model with a two-liter diesel motor will follow, they say, and in 1985 or 1986, there will be a 1.6-liter gasoline motor.

The officials describe the 190 as a "peppy car" aimed not at previous Mercedes customers but at a

(Continued on Page 11)

N.Y. Prices Mixed;
Blue Chips Lower
In Profit-Taking

Compiled by Our Staff From Dispatches

NEW YORK — The 30 blue-chip stocks that make up the Dow Jones industrial average suffered from heavy selling pressure Tuesday but the broader market continued to rally, leaving stock prices mixed at the close.

The Dow average, which hit a 17-month high Monday, fell as much as 12.69 points during the day but firmed in late trading to finish down only 5.42 points at 1013.80.

Advances led declines throughout the day, however, and finished ahead by a margin of nine to seven. Volume swelled to 100.9 million shares from the 83.8 million traded Monday.

The blue chip stocks dominated trading during the market's dash above the critical 1000 mark last week, with many of the group's members reaching new highs.

Why have stocks of this caliber moved consistently higher since the spectacular recovery that began Aug. 13 with the Dow mired at 776.92?

"In the current environment of disinflation and slow economic growth, companies that can deliver earnings and dividend growth will sell at a premium," said Samson Wang, research director for the Bank of New York. "When the inflation rate and interest rates come down, growth stocks of this type are the first group to respond enthusiastically."

But these same stocks were among the biggest losers Tuesday as institutional investors started cashing in their gains and shifted

U.S. Consumers
Boost Spending

The Associated Press

WASHINGTON — Americans' personal income rose a modest 0.3 percent in September, but consumers increased their spending by 1 percent, the Commerce Department reported Tuesday.

Reagan administration officials have been saying for months that the biggest push for economic recovery will have to be provided by increased spending by consumers. And they have noted that personal income has been rising fairly steadily, theoretically making such increased spending possible.

Retail sales, however, have risen only erratically, gaining 1 percent in September after falling by the same amount in August.

attention to secondary issues ignored by the market's advance.

"The Dow is showing some weariness after the rally, but as long as the broad market is up, as measured by advances and declines, then I consider the market still firm," said Larry Wachtel of the Bache Group.

Analysts said the market continues to be supported by a growing awareness in the investment community that interest rates should continue to decline through the rest of the year.

On the NYSE floor, losers among the blue chips included active IBM off 3/4 to \$2 1/4, U.S. Steel 1/4 to 19 1/2, Eastman Kodak 1 1/2 to 93 1/2, Minnesota Mining 1 1/2 to 74 1/2 and General Electric 1 1/2 to 83 1/2.

Volume leader Pfizer slid 4 1/2 to 73 1/2 on turnover of 1.08 million shares, despite reporting sharply higher third quarter earnings. Some analysts said the results were less than expected.

Warner Communications was also active and jumped 3 1/2 to 49 1/2. The company reported higher earnings Monday.

Kaufman Says Interest Rates Must Fall More

Compiled by Our Staff From Dispatches

TOKYO — Economist Henry Kaufman Tuesday applauded the U.S. Federal Reserve Board's loosening of money restraints but warned that interest rates must come down further before an economic recovery takes place.

Mr. Kaufman is chief economist for Salomon Brothers and his pronouncements often move markets. He is widely credited with helping touch off the current Wall Street rally when he forecast a drop in interest rates. The initial reaction to his comments Tuesday was a sharp increase in bond prices, but they later slipped back to show only small increases.

In his speech Tuesday he also warned of a "precarious international financial situation" and advocated measures to repair it.

Mr. Kaufman told a gathering of 350 Japanese government officials and financial and business executives that "interest rates will have to fall further than they have to date" for businesses and institutions to get enough money for a "meaningful economic recovery."

In the meantime, he said, "We continue to be in a situation of considerable economic and financial risk."

Mr. Kaufman said he applauded the Fed's shift from monetarism, which brought about the drop in interest rates.

"For the long-term bond markets to perform their funding and requalification roles, long-term investors must be encouraged to believe that short-term interest rates will be falling for the indefinite future — even if eventually they do not," he said.

Mr. Kaufman said interest rates must continue to fall. "While nominal interest rates are lower, real

[after-inflation] interest rates are still too high and hence do not provide an economic stimulant."

Mr. Kaufman also warned of the increasing amount of debt in the world, citing Mexico as an example of "the difficulty of enforcing discipline on a huge international borrower."

He called for "measures that will enhance confidence in the international and U.S. credit structure and their institutions."

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U.S. Urged to End Credit on Japanese Tools

By Robert A. Rosenblatt

Los Angeles Times Service

WASHINGTON — The Reagan administration is considering a request by a U.S. company that it deny tax credits on the purchase of Japanese machine tools, a step that would constitute a new approach to the problems of U.S.-Japanese trade.

Unlike most actions affecting foreign trade, which are the subject

of elaborate investigations by government agencies, the power to deny tax credits lies exclusively with the president.

That authority has never been used, but it is now being weighed as a method of slowing Japanese inroads into the U.S. market for computer-operated machine tools, which perform delicate metal-cutting work.

The government's special trade

representative, William E. Brock, is considering a petition for presidential action by Houdaille Industries, a Ft. Lauderdale, Florida, company that produces the sophisticated machine tools in the United States. The final decision will be made at the White House, which must balance the enthusiasm of many U.S. unions and businesses for trade restrictions against the possible problems that could arise in U.S.-Japanese relations.

U.S. tax law grants companies a credit for the purchase of business equipment. The credit reduces the company's federal tax bill by an amount equal to 10 percent of the price of the equipment.

Houdaille has cited a provision in the 1971 tax code under which the president may rule that tax credits may be denied on the purchase of imports from a country that tolerates cartels. Houdaille said the Japanese government encouraged the machine tool industry in that country to form a cartel and fix prices on shipments to the United States.

Japanese machine tools currently are about 10 to 15 percent cheaper than the U.S. products. This denial of the tax credit for Japanese tools, while U.S.-made products would still produce a tax credit for the purchaser, would virtually eliminate the price spread.

The Japanese share of the U.S. market for these tools, about 60 percent in the first quarter of this year, would be cut back to 10 percent within two or three years if the president denied the credit, Richard Copaken, the company's Washington attorney, predicted Monday.

U.S. Trade Experts Worry
About Weakening of Yen

By Clyde H. Farnsworth

New York Times Service

WASHINGTON — U.S. government and industry leaders are concerned that Japanese imports will rise sharply as a result of the recent decline in the value of the yen, thus intensifying U.S. trade problems with Japan.

In just two years, the yen has depreciated more than 25 percent, from about 200 to the dollar to 268.23 on Tuesday. This has resulted in what Alexander B. Trowbridge, the president of the National Association of Manufacturers, calls "an inordinately competitive price" for the Japanese cars, machine tools, semiconductors, carbon film resistors and other products exported to the United States.

Because of the weakness of the yen, an auto that had sold in early 1980 for \$10,000, for example, yielding its Japanese manufacturer 1 million yen, can now be sold for about \$7,500 and still yield 2 million yen. Japanese manufacturers are thus in a position to sell more products by lowering prices or to increase profit by maintaining dollar-price levels.

The depreciation of the yen is considered one of the factors behind the rising penetration of Japanese imports into the U.S. market and a U.S. trade deficit with Japan in 1981, according to internal federal government projections, could be as high as \$25 billion this year, compared with \$18.1 billion last year.

Trade officials here are worried at the current economic slump in Japan, together with the pressure exerted by the weak yen, will touch off a fresh sales drive by Japanese companies. That would mean further job displacement in the United States at a time when unemployment is growing, and it would almost certainly

touch off a strong protectionist reaction in Congress.

Commerce Secretary Malcolm Baldrige has said the declining yen "will definitely have an effect" on U.S. trade relations with Japan. "If the Japanese would lift their trade barriers, we could lift our exports to Japan significantly, regardless of the yen's value," Mr. Baldrige said. He added that progress in getting Japan to open up its domestic markets had been "too slow."

"I'm worried, too," Japan's minister of international trade and industry, Shintaro Abe, said on a recent visit to Washington.

The declining value of the yen, according to some estimates, in itself gives Japanese automakers a \$1,000 cost advantage in selling a car in California, on top of a cost gap already acknowledged to be in favor of Japanese exporters because of lower labor costs and more efficient production.

CURRENCY RATES

Interbank exchange rates for Oct. 19, excluding bank service charges.

	\$	£	D.M.	F.P.	Y.	Sw.	S.F.	S.P.	D.K.
Amsterdam	2.2415	4.483	199.87	26.83	0.1916	3.419	32.25	3.97	
Bombay	48.74	6.532	19.47	4.88	2.2922	17.885	22.615	5.575	
Frankfurt	2.5148	4.2945	1.749	35.45	0.1144	5.152	116.76	28.39	
London	1.7083	—	4.2994	12.1209	2.4823	4.886	8.238	15.587	
Madrid	1.6355	2.6458	57.153	202.65	24.273	27.427	448.69	10.644	
New York	—	1.0996	0.7964	0.1485	0.03	0.345	0.9985	0.6413	0.1129
Paris	7.0975	12.116	282.28	—	4.9346	229.20	14.547	32.93	86.25
Zurich	2.151	3.4742	85.58	26.285	0.1496	76.445	4.448	34.34	
180 CU	0.5920	0.5456	4.6382	1.5446	2.5325	45.177	2.011	0.274	
180 EU	1.0043	0.63032	2.7011	7.6251	1.54328	2.9453	24.404	2.328	9.978

Dollar Values

	Per U.S.	Per U.S.	Per U.S.	Per U.S.	Per U.S.	Per U.S.	Per U.S.	Per U.S.	Per U.S.
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

(a) Commercial franc. (b) Amount needed to buy one pound. (c) Units of 100. (d) Units of 1,000.

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Mercedes' Small Car Aims for Big Market

(Continued from Page 9)

new circle of buyers who want "less the comfortable interior than the exciting driving experience."

Despite the innovative approach, Mercedes evidently will stick to tradition when it comes to price. The models in the 190 range will cost about what Mercedes in the S-series cost now, company officials say. This means that the compact, though comparable in comfort and size to cars such as the Audi 4000, the Volkswagen Dasher or the smallest BMW, will cost about the same as an Audi 5000: 22,000 Deutsche marks, or about \$8,750.

The 190 will be 14 feet, 1 inch long (4.3 meters), with a wheelbase of 8 feet, 8 inches. By contrast,

four-door models in the S series are 16 feet, 5 inches long with a wheelbase of 9 feet, 3 inches.

People at Daimler's Stuttgart headquarters still wince at the mention of a "small" Mercedes. Daimler has built small sports cars for years, one insider insisted, but the four-door 190 is a "genuine Mercedes, a typical Mercedes, in compact form."

Indeed, the introduction of the 190 fits into the company's plan to trim the Mercedes line while increasing production. In the past, Daimler has phased out older basic series, such as the large but unprofitable 600 limousine, but it has also introduced some series, like the S series, and widened the selection of models in the series to include stylish coupes and roomy station wagons.

Analysis says Daimler is evidently gambling that the new models can lure customers away from rivals such as BMW, Audi or Opel in Germany, and that the market share of the Mercedes can rise to 12 or 13 percent from its present 10.5 percent. At the same time, they say, Daimler seems to hope that larger numbers of buyers around the world will be willing to pay the higher price for a Mercedes.

They note that the Mercedes line has proved remarkably resistant to the recession that has depressed West Germany's auto industry since late 1980.

Last year, while other German automakers suffered their worst in memory, Daimler's net earnings were up 16.2 percent, to \$365.4 million, and sales grew 18 percent, to \$16.2 billion. Edzard Reuter, Daimler's financial chief, boasted that it was the company's best year ever.

The company's sales in the United States, meanwhile, increased 18 percent, to 65,810 units, making that market one of Daimler's most profitable.

Indeed, despite adamant denials by Daimler's chairman, Gerhard Prinz, some analysts are convinced that the 190, with its low fuel consumption and its compact design, was built primarily for American tastes.

Buenos Aires, IMF May Sign 3-Year Accord

By Winston Williams

BUENOS AIRES — Argentina is discussing the possibility of signing a three-year agreement with the International Monetary Fund with the option of renegotiating or terminating the accord when a new government takes office, senior government sources said Tuesday.

Argentina's military rulers have pledged to hand over power to an elected government by March 1984. Earlier reports have suggested that the country was seeking only a one-year standby credit from the fund because of the planned change in government.

The sources said an IMF team in Buenos Aires has completed its preliminary studies and that Walter Robinson, the fund's director for the Western Hemisphere, has arrived for talks on the government's economic program.

This stage of the negotiations should be completed within a week or 10 days, they said.

Argentina has sought bridging finance from commercial banks and from the Bank for International Settlements, but both are being held in abeyance pending progress in the IMF talks.

Discussions with the IMF are expected to center on issues that are traditionally the concern of the fund, including the budget deficit, inflation, monetary growth, exchange rates and the balance of payments, the sources said.

They said Argentina would seek both to reduce inflation, currently running at 175 percent, and to boost growth in gross domestic product by about 5 percent next year. In the first half of 1982, the GDP declined 7 percent from a year earlier.

If an agreement is reached with the IMF, Argentina then would seek to alter the profile of its external debt by arranging medium-term credits with which to repay short-term obligations, the sources said.

At the same time, it would keep a tight rein on additional foreign borrowing, they added.

Russians Are Unlikely to Increase U.S. Grain Purchases, Traders Say

By Winston Williams

CHICAGO — U.S. farm organizations, grain traders and the commodities markets have reacted skeptically to President Ronald Reagan's offer on Friday to sell 23 million tons of grain to the Soviet Union. Experts said they did not expect purchases by the Russians to exceed last year's 14.8 million tons.

Noting that the Russians have not bought any U.S. wheat since November 1981, James F. Frahm, director of planning for the U.S. Wheat Associates, a marketing group, said Monday that he doubted that the president's offer would change the picture much.

"This is the Soviet reaction to trade sanctions against Poland," he said. "They're making no secret of the fact that they're going to show the U.S. that they aren't dependent on this country for food and that no sanctions can make them change their actions. In a sense they're employing a reverse embargo, a short-term boycott, against our wheat."

U.S. farmers dominate worldwide sales of corn, and most of the grain purchased last year by the Soviet Union from the United States was corn. Wheat is available everywhere, and the Soviet Union, the world's largest agricultural importer, last week bought 7.6 million tons from Canada. A week earlier, it signed an agreement to buy about a million tons of wheat from France.

A spokesman for the Chicago Board of Trade, Gene Podrazik, said of the market reaction Friday: "It rained all over Reagan's announcement on Friday, adding, 'The lack of activity on the floor today tells you how insignificant it was.'"

Agricultural experts said that a

provision in the president's offer that requires cash payment from the Russians would be a strong deterrent to Soviet purchases because the country's earnings from mineral and metals exports, particularly gold, have fallen drastically. Credits are available for orders from other countries, as they were with the recent Canadian and French purchases.

Indeed, financing troubles have depressed U.S. farm exports for much of the year. Bankers have become shy of lending to the debt-burdened Eastern bloc and the developing countries.

In addition, the strong dollar and record crops in many countries have held down U.S. exports of grain and other farm crops this year.

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated.

Australia			
MIM Holdings	3rd Qtr.	1982	1981
Revenue	125.2	122.2	122.2
Profit	2.9	1.1	1.1
Per Share	2.29	1.08	1.08
United States			
Apple Computer	3rd Qtr.	1982	1981
Revenue	175.2	175.2	175.2
Profit	15.2	15.2	15.2
Per Share	15.2	15.2	15.2
Bankers Trust N.Y.	3rd Qtr.	1982	1981
Revenue	175.2	175.2	175.2
Profit	15.2	15.2	15.2
Per Share	15.2	15.2	15.2
Europe			
Public Service Elec.	3rd Qtr.	1982	1981
Revenue	175.2	175.2	175.2
Profit	15.2	15.2	15.2
Per Share	15.2	15.2	15.2
Japan			
Public Service Elec.	3rd Qtr.	1982	1981
Revenue	175.2	175.2	175.2
Profit	15.2	15.2	15.2
Per Share	15.2	15.2	15.2
South America			
Public Service Elec.	3rd Qtr.	1982	1981
Revenue	175.2	175.2	175.2
Profit	15.2	15.2	15.2
Per Share	15.2	15.2	15.2

Eurocurrency Interest Rates									
	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR		
1M	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15
3M	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15
6M	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15
1Y	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15	10.15

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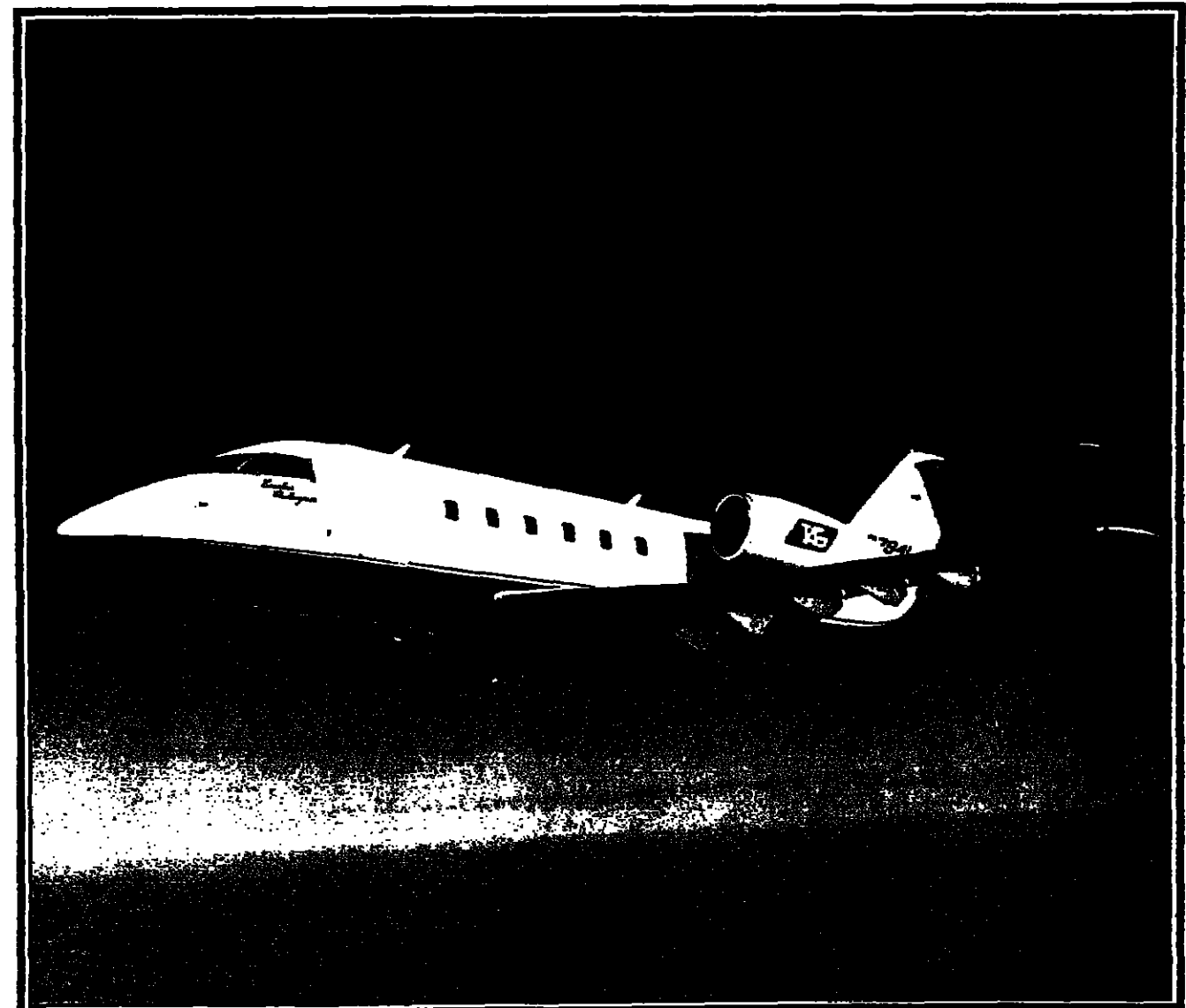
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Berliner Handels- und Frankfurter Bank
Chase Manhattan
Capital Markets Group
Chase Manhattan Limited
CIBC Limited
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Crédit Industriel et Commercial
Crédit Lyonnais
Creditoitaliano-Bankverein
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Den norske Creditbank
Deutsche Bank
Aktiengesellschaft
Deutsche Girozentrale
— Deutsche Kommunalbank —
DG Bank
Deutsche Genossenschaftsbank
Dominion Securities Ames
Limited
Effectenbank-Warburg
Aktiengesellschaft
Euromobiliare S.p.A.
Europäische Arab Bank
European Banking Company
Limited
Girozentrale und Bank
der Österreichischen Sparkassen
Aktiengesellschaft
Goldman Sachs International Corp.
Hambros Bank
Limited
Hessische Landesbank
— Girozentrale —
Hilf Samuel & Co.
Limited
The Hongkong Bank Group
Industriabank von Japan (Deutschland)
Aktiengesellschaft
Istituto Bancario San Paolo di Torino
Kansai-Osaka-Paniki
Köster, Peabody International
Limited
Kleinwort, Benson
Limited
Kreditbank N.V.
Landesbank Rheinland-Pfalz
— Girozentrale —
Lehman Brothers Kuhn Loeb
International, Inc.
Lloyds Bank International
Limited
Manufacturers Hanover
McLeod Young Welf International
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B. Metzger & Co. Sohn & Co.
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Limited
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Morgan Stanley International
The Nikko Securities Co., (Europe) Ltd.
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Limited
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Sal. Oppenheim Jr. & Cie.
Orion Royal Bank
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Limited
Renouf International (N.Z.) Limited
Reuschel & Co.
N. M. Rothschild & Sons
Limited
Salomon Brothers International
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Skandinaviska Enskilda Banken
Société Générale de Banque S.A.
Sumitomo Finance International
Svenska Handelsbanken
Swiss Bank Corporation International
Limited
Tinkaus & Burkhart
Vereins- und Westbank
Aktiengesellschaft
M. M. Warburg-Brinkmann,
Wirtz & Co.
S. G. Warburg & Co. Ltd.
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Canadian Indexes	Oc
Index	Re

Japan Price Index Off 0.

0.1-percent rise in the same
tember period, the Bank of Ja

International Business Opportunities

Grains

Grain	Open	High	Low	Settle	Chg.
WHEAT					
Dec	2.15	2.17	2.15	2.16	+0.01
Mar	2.14	2.16	2.14	2.15	+0.01
May	2.13	2.15	2.13	2.14	+0.01
Jul	2.12	2.14	2.12	2.13	+0.01
Sep	2.11	2.13	2.11	2.12	+0.01
Nov	2.10	2.12	2.10	2.11	+0.01
Dec	2.09	2.11	2.09	2.10	+0.01
Jan	2.08	2.10	2.08	2.09	+0.01
Mar	2.07	2.09	2.07	2.08	+0.01
May	2.06	2.08	2.06	2.07	+0.01
Jul	2.05	2.07	2.05	2.06	+0.01
Sep	2.04	2.06	2.04	2.05	+0.01
Nov	2.03	2.05	2.03	2.04	+0.01
Dec	2.02	2.04	2.02	2.03	+0.01
Jan	2.01	2.03	2.01	2.02	+0.01
Mar	2.00	2.02	2.00	2.01	+0.01
May	1.99	2.01	1.99	2.00	+0.01
Jul	1.98	2.00	1.98	1.99	+0.01
Sep	1.97	1.99	1.97	1.98	+0.01
Nov	1.96	1.98	1.96	1.97	+0.01
Dec	1.95	1.97	1.95	1.96	+0.01
Jan	1.94	1.96	1.94	1.95	+0.01
Mar	1.93	1.95	1.93	1.94	+0.01
May	1.92	1.94	1.92	1.93	+0.01
Jul	1.91	1.93	1.91	1.92	+0.01
Sep	1.90	1.92	1.90	1.91	+0.01
Nov	1.89	1.91	1.89	1.90	+0.01
Dec	1.88	1.90	1.88	1.89	+0.01
Jan	1.87	1.89	1.87	1.88	+0.01
Mar	1.86	1.88	1.86	1.87	+0.01
May	1.85	1.87	1.85	1.86	+0.01
Jul	1.84	1.86	1.84	1.85	+0.01
Sep	1.83	1.85	1.83	1.84	+0.01
Nov	1.82	1.84	1.82	1.83	+0.01
Dec	1.81	1.83	1.81	1.82	+0.01
Jan	1.80	1.82	1.80	1.81	+0.01
Mar	1.79	1.81	1.79	1.80	+0.01
May	1.78	1.80	1.78	1.79	+0.01
Jul	1.77	1.79	1.77	1.78	+0.01
Sep	1.76	1.78	1.76	1.77	+0.01
Nov	1.75	1.77	1.75	1.76	+0.01
Dec	1.74	1.76	1.74	1.75	+0.01
Jan	1.73	1.75	1.73	1.74	+0.01
Mar	1.72	1.74	1.72	1.73	+0.01
May	1.71	1.73	1.71	1.72	+0.01
Jul	1.70	1.72	1.70	1.71	+0.01
Sep	1.69	1.71	1.69	1.70	+0.01
Nov	1.68	1.70	1.68	1.69	+0.01
Dec	1.67	1.69	1.67	1.68	+0.01
Jan	1.66	1.68	1.66	1.67	+0.01
Mar	1.65	1.67	1.65	1.66	+0.01
May	1.64	1.66	1.64	1.65	+0.01
Jul	1.63	1.65	1.63	1.64	+0.01
Sep	1.62	1.64	1.62	1.63	+0.01
Nov	1.61	1.63	1.61	1.62	+0.01
Dec	1.60	1.62	1.60	1.61	+0.01
Jan	1.59	1.61	1.59	1.60	+0.01
Mar	1.58	1.60	1.58	1.59	+0.01
May	1.57	1.59	1.57	1.58	+0.01
Jul	1.56	1.58	1.56	1.57	+0.01
Sep	1.55	1.57	1.55	1.56	+0.01
Nov	1.54	1.56	1.54	1.55	+0.01
Dec	1.53	1.55	1.53	1.54	+0.01
Jan	1.52	1.54	1.52	1.53	+0.01
Mar	1.51	1.53	1.51	1.52	+0.01
May	1.50	1.52	1.50	1.51	+0.01
Jul	1.49	1.51	1.49	1.50	+0.01
Sep	1.48	1.50	1.48	1.49	+0.01
Nov	1.47	1.49	1.47	1.48	+0.01
Dec	1.46	1.48	1.46	1.47	+0.01
Jan	1.45	1.47	1.45	1.46	+0.01
Mar	1.44	1.46	1.44	1.45	+0.01
May	1.43	1.45	1.43	1.44	+0.01
Jul	1.42	1.44	1.42	1.43	+0.01
Sep	1.41	1.43	1.41	1.42	+0.01
Nov	1.40	1.42	1.40	1.41	+0.01
Dec	1.39	1.41	1.39	1.40	+0.01
Jan	1.38	1.40	1.38	1.39	+0.01
Mar	1.37	1.39	1.37	1.38	+0.01
May	1.36	1.38	1.36	1.37	+0.01
Jul	1.35	1.37	1.35	1.36	+0.01
Sep	1.34	1.36	1.34	1.35	+0.01
Nov	1.33	1.35	1.33	1.34	+0.01
Dec	1.32	1.34	1.32	1.33	+0.01
Jan	1.31	1.33	1.31	1.32	+0.01
Mar	1.30	1.32	1.30	1.31	+0.01
May	1.29	1.31	1.29	1.30	+0.01
Jul	1.28	1.30	1.28	1.29	+0.01
Sep	1.27	1.29	1.27	1.28	+0.01
Nov	1.26	1.28	1.26	1.27	+0.01
Dec	1.25	1.27	1.25	1.26	+0.01
Jan	1.24	1.26	1.24	1.25	+0.01
Mar	1.23	1.25	1.23	1.24	+0.01
May	1.22	1.24	1.22	1.23	+0.01
Jul	1.21	1.23	1.21	1.22	+0.01
Sep	1.20	1.22	1.20	1.21	+0.01
Nov	1.19	1.21	1.19	1.20	+0.01
Dec	1.18	1.20	1.18	1.19	+0.01
Jan	1.17	1.19	1.17	1.18	+0.01
Mar	1.16	1.18	1.16	1.17	+0.01
May	1.15	1.17	1.15	1.16	+0.01
Jul	1.14	1.16	1.14	1.15	+0.01
Sep	1.13	1.15	1.13	1.14	+0.01
Nov	1.12	1.14	1.12	1.13	+0.01
Dec	1.11	1.13	1.11	1.12	+0.01
Jan	1.10	1.12	1.10	1.11	+0.01
Mar	1.09	1.11	1.09	1.10	+0.01
May	1.08	1.10	1.08	1.09	+0.01
Jul	1.07	1.09	1.07	1.08	+0.01
Sep	1.06	1.08	1.06	1.07	+0.01
Nov	1.05	1.07	1.05	1.06	+0.01
Dec	1.04	1.06	1.04	1.05	+0.01
Jan	1.03	1.05	1.03	1.04	+0.01
Mar	1.02	1.04	1.02	1.03	+0.01
May	1.01	1.03	1.01	1.02	+0.01
Jul	1.00	1.02	1.00	1.01	+0.01
Sep	0.99	1.01	0.99	1.00	+0.01
Nov	0.98	1.00	0.98	0.99	+0.01
Dec	0.97	0.99	0.97	0.98	+0.01
Jan	0.96	0.98	0.96	0.97	+0.01
Mar	0.95	0.97	0.95	0.96	+0.01
May	0.94	0.96	0.94	0.95	+0.01
Jul	0.93	0.95	0.93	0.94	+0.01
Sep	0.92	0.94	0.92	0.93	+0.01
Nov	0.91	0.93	0.91	0.92	+0.01
Dec	0.90	0.92	0.90	0.91	+0.01
Jan	0.89	0.91	0.89	0.90	+0.01
Mar	0.88	0.90	0.88	0.89	+0.01
May	0.87	0.89	0.87	0.88	+0.01
Jul	0.86	0.88	0.86	0.87	+0.01
Sep	0.85	0.87	0.85	0.86	+0.01
Nov	0.84	0.86	0.84	0.85	+0.01
Dec	0.83	0.85	0.83	0.84	+0.01
Jan	0.82	0.84	0.82	0.83	+0.01
Mar	0.81	0.83	0.81	0.82	+0.01
May	0.80	0.82	0.80	0.81	+0.01
Jul	0.79	0.81	0.79	0.80	+0.01
Sep	0.78	0.80	0.78	0.79	+0.01
Nov	0.77	0.79	0.77	0.78	+0.01
Dec	0.76	0.78	0.76	0.77	+0.01
Jan	0.75	0.77	0.75	0.76	+0.01
Mar	0.74	0.76	0.74	0.75	+0.01
May	0.73	0.75	0.73	0.74	+0.01
Jul	0.72	0.74	0.72	0.73	+0.01
Sep	0.71	0.73	0.71	0.72	+0.01
Nov	0.70	0.72	0.70	0.71	+0.01
Dec	0.69	0.71	0.69	0.70	+0.01
Jan	0.68	0.70	0.68	0.69	+0.01
Mar	0.67	0.69	0.67	0.68	+0.01
May	0.66	0.68	0.66	0.67	+0.01
Jul	0.65	0.67	0.65	0.66	+0.01
Sep	0.64	0.66	0.64	0.65	+0.01
Nov	0.63	0.65	0.63	0.64	+0.01
Dec	0.62	0.64	0.62	0.63	+0.01
Jan	0.61	0.63	0.61	0.62	+0.01
Mar	0.60	0.62	0.60	0.61	+0.01
May	0.59	0.61	0.59	0.60	+0.01
Jul	0.58	0.60	0.58	0.59	+0.01
Sep	0.57	0.59	0.57	0.58	+0.01
Nov	0.56	0.58	0.56	0.57	+0.01
Dec	0.55	0.57	0.55	0.56	+0.01
Jan	0.54	0.56	0.54	0.55	+0.01
Mar	0.53	0.55	0.53	0.54	+0.01
May	0.52	0.54	0.52	0.53	+0.01
Jul	0.51	0.53	0.51	0.52	+0.01
Sep	0.50	0.52	0.50	0.51	+0.01
Nov	0.49	0.51	0.49	0.50	+0.01
Dec	0.48	0.50	0.48	0.49	+0.01
Jan	0.47	0.49	0.47	0.48	+0.01
Mar	0.46	0.48	0.46	0.47	+0.01
May	0.45	0.47	0.45	0.46	+0.01
Jul	0.44	0.46	0.44	0.45	+0.01
Sep	0.43	0.45	0.43	0.44	+0.01
Nov	0.42	0.44	0.42	0.43	+0.01
Dec	0.41	0.43	0.41	0.42	+0.01
Jan	0.40	0.42	0.40	0.41	+0.01
Mar	0.39	0.41	0.39	0.40	+0.01
May	0.38	0.40	0.38	0.39	+0.01
Jul	0.37	0.39	0.37	0.38	+0.01
Sep	0.36	0.38	0.36	0.37	+0.01
Nov	0.35	0.37	0.35	0.36	+0.01
Dec	0.34	0.36	0.34	0.35	+0.01
Jan	0.33	0.35	0.33	0.34	+0.01
Mar	0.32	0.34	0.32	0.33	+0.01
May	0.31	0.33	0.31	0.32	+0.01
Jul	0.30	0.32	0.30	0.31	+0.01
Sep	0.29	0.31	0.29	0.30	+0.01
Nov	0.28	0.30	0.28	0.29	+0.01
Dec	0.27	0.29	0.27	0.28	+0.01
Jan	0.26	0.28	0.26	0.27	+0.01
Mar	0.25	0.27	0.25	0.26	+0.01
May	0.24	0.26	0.24	0.25	+0.01
Jul	0.23	0.25	0.23	0.24	+0.01
Sep	0.22	0.24	0.22	0.23	+0.01
Nov	0.21	0.23	0.21	0.22	+0.01
Dec	0.20	0.22	0.20	0.21	+0.01
Jan	0.19	0.21	0.19	0.20	+0.01
Mar	0.18	0.20	0.18	0.19	+0.01
May	0.17	0.19	0.17	0.18	+0.01
Jul	0.16	0.18	0.16	0.17	+0.01
Sep	0.15	0.17	0.15	0.16	+0.01
Nov	0.14	0.16	0.14	0.15	+0.01
Dec	0.13	0.15	0.13	0.14	+0.01
Jan	0.12	0.14	0.12	0.13	+0.01
Mar	0.11	0.13	0.11	0.12	+0.01
May	0.10	0.12	0.10	0.11	+0.01
Jul	0.09	0.11	0.09	0.10	+0.01
Sep	0.08	0.10	0.08	0.09	+0.01
Nov	0.07	0.09	0.07	0.08	+0.01
Dec	0.06	0.08	0.06	0.07	+0.01
Jan	0.05	0.07	0.05	0.06	+0.01
Mar	0.04	0.06	0.04	0.05	+0.01
May					

